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Models of Co-operation
between Local
Governments and Social
Organizations –
Migration: Challenges
and Solutions

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Local Public Administration and Social Policy in Germany and China

A comparative report with special attention to the welfare mix and provision of social services for migrants

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The Research Project

Models of Co-operation between Local Governments and Social Organizations in Germany and China – Migration: Challenges and Solutions (LoGoSO Germany China) is a comparative research project of the Freie Universität Berlin, the Westfälische Wilhelms-Universität Münster and the Chinese Academy of Governance, funded by Stiftung Mercator.

This comparative research project looks at co-operation between state and social organizations (SOs) in China and Germany. It focusses on social service delivery in the area of integrating migrating populations, with special attention to the fields of education, employment, vulnerable groups, and social assistance (incl. legal aid) as a crosscutting issue. Within this subject area, the project seeks to identify different models of state-SO co-operation and analyse which models are successful, and why and where this co-operation is problematic. It aims to capture the different models of co-operation in Germany and China, to analyse and compare the underlying structures and to show potentialities for development.

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1 Introduction

This report contributes to the LoGoSO project. The overall purpose of the LoGoSO¹ research project is to learn about different models of cooperation between local governments and social organisations in Germany and in the People's Republic of China (PRC). The focus of this report is on current migrant groups and on the provision of social services to them in the four policy fields of education, employment, social services including legal aid, and vulnerable groups.² In Germany we investigated social services for immigrants from war-torn countries in 2015 and 2016, whereas in China we focused on social services for migrants who had come from rural areas within the country to the more affluent cities on its eastern coast. Although these two groups of migrants are obviously very diverse, certain aspects of social service provision to them are very similar – across all political, economic, cultural and historical differences – which makes a comparison worthwhile.

This report provides a comparative analysis of service provision to migrant populations in China and Germany against the background of the two countries' respective administrative traditions and structures at the local level of governance. It is part of the set of basic information for the (LoGoSO) research project.

The report shows where the two countries differ and/or are similar from the administrative perspective of service provision to migrants on the level of local governance and social organisations. It pays particular attention to two aspects:

- The aims of service provision (what is the purpose of service provision from the perspective of administrative policy?)
- The actors and procedures of service provision (who is providing the services and how?)

These two aspects also serve as categories of comparison for the report.

In addition to the research focus on the provision of social services to migrants, this report also examines Chinese and German public policy traditions and structures that form the background for these activities (what are the typical public policy traditions and structures in each country?).

The remainder of the report is structured as follows: Section 2 provides an overview of the types of migrants and social services offered to them that are the focus of this study. Section 3 discusses the purposes of service provision, i.e. satisfying basic needs of incoming migrants and integrating them into the receiving societies. Section 4 describes the actors and basic procedures involved in providing these services. Section 5 looks at the underlying traditions

¹ LoGoSO is an abbreviation for Local Government-Social Organisation. The full title of the project is: Models of Co-operation between Local Governments and Social Organizations in Germany and China – Migration: Challenges and Solutions. It is a comparative research project of the Freie Universität Berlin, the Westfälische Wilhelms Universität Münster and the Chinese Academy of Governance, generously funded by Stiftung Mercator. Three teams conducted the research from September 2016 to August 2019. See www.logoso-project.com for further details.

² The four areas of social services were selected because they involved cooperation between local government and social organisations and because provider organisations and government officials were accessible for interviews. The three research groups also ensured that the cases (modes of cooperation) were investigated in comparable pairs of cities, i.e. Cologne and Hangzhou (medium-sized cities and regional economic hubs) and Berlin and Guangzhou (larger cities with comparably large migrant influxes and comparatively high administrative discretion).

and structures of social policy for each country in which service provision is embedded. Section 6 concludes this comparative report with a summary and discussion.

2 The migrant groups in our investigation and the services offered to them

The LoGoSO project investigates the provision of social services for two different groups of migrants in China and Germany:

For Germany this project's concept of migration refers to an influx from abroad. Germany has seen several forms of immigration in its history. After 1945, the first generation of "re-settlers" sought shelter in what were two separated parts of Germany, the Federal Republic of Germany and the German Democratic Republic, after being expelled from central and eastern Europe. In the 1950s, West Germany invited workers from southern Europe, mainly from Italy in the 1950s, and then from Spain, Greece, Turkey, Portugal and Yugoslavia in the 1960s, to meet its growing demand for labour. Also in the 1950s, ethnic German refugees (*Aussiedler*) continued to arrive in Germany from central and eastern Europe. In 1989 people with an ethnic German background who had lived in the Soviet Union migrated to Germany. Most recently, in 2015, an unprecedented number of nearly 900,000 migrants entered the country. They arrived from war-torn countries in the Middle East (Syria, Iraq, Afghanistan etc.) after encountering very restricted asylum policies in most other European countries (Gluns 2017).

This research project focusses on this more recent generation of asylum seekers. Persons who flee to Germany for political or humanitarian reasons and want to stay in the country may apply for asylum. There are four main forms of protection for refugees: asylum, refugee status, subsidiary protection, and a national ban on deportation.³ Asylum is granted to individuals who are persecuted for political reasons by the state or a state-related organisation in their home country and who arrive directly in Germany (art. 16a Basic Law).⁴ Refugees are recognised on the basis of the Geneva Refugee Convention. Recognised refugees enjoy the same rights as persons entitled to asylum. However, one difference is that refugees may also enter Germany via a so-called "third safe country", i.e. all of Germany's neighbouring countries, which is not possible for asylum seekers. Persons not recognised as entitled to asylum or refugee status may be granted subsidiary protection (§ 4 par. 1 Asylgesetz (Asylum Act)). Subsidiary protection may apply to persons who do not personally face persecution but are in grave danger, e.g. due to war or severe human rights abuses (such as the death penalty, torture,

³ See also Handbook Germany (<https://handbookgermany.de>), an informational website by journalists which is funded by the Federal Office for Migration and Refugees (BAMF) with the aim of providing correct and up-to-date information for immigrants in their own languages and in English.

⁴ Recognised asylum seekers receive a temporary three-year residence permit valid only for a specified part of Germany. It can be renewed for another three years if the political situation in the country of origin has not changed. They are also issued a travel document that permits normal travelling (except to their country of origin). They are allowed to bring their spouse and minor children to Germany (or their parents if the asylum seeker is a minor). They are allowed to work, receive child and parental support, attend what are called integration courses, study at universities or do vocational training. After the first three-year period, recognised refugees may also apply for a permanent residence permit, for which the following conditions must be met: candidates must be able to cover most of their living expenses with their own income (percentage varies among the federal states), speak German (A2 level), and provide enough living space for their entire family (size requirements differ among the states). Candidates must also have health insurance, complete an orientation course, and have no criminal record. And they must prove that the reason for asylum is still valid at the time of application (see <https://handbookgermany.de/en/rights-laws/asylum/right-of-residence.html>).

inhumane treatment).⁵ The residence permit issued under these circumstances is only valid for one year and can be extended. The most important differences here compared to asylum and refugee status are that persons under subsidiary protection do not receive a permit for travelling purposes and that reunion with family members is more restricted and entails different procedures. However, persons under subsidiary protection are also entitled to work, receive childcare and parental support, attend integration courses, study, and take up vocational training. Very similar rules apply to the fourth group, i.e. persons under a deportation ban. They may stay in Germany because deportation to their home country might lead to human rights abuses, danger to life, health or freedom.⁶ The migrants considered in the German part of this LoGoSO project cover the following three groups: “recognised refugees” who are entitled to stay and work in Germany, “asylum seekers” whose applications have not yet been decided, and “persons with exceptional leave to remain” whose asylum applications have been denied (or who have not applied for asylum in the first place) but who cannot be repatriated. Their stay is “tolerated” (*geduldet*) only for short but renewable periods of time. Refugees, asylum seekers and persons with exceptional leave to remain are the migrants considered in this study.

For China, the domestic migration studied in this project takes two forms: the migrant population (移民) and the floating population (流动人口). The term 'migrant population' usually refers to people who have succeeded in permanently changing their residence, which is very difficult and therefore rare in China. The term 'floating population' denotes people who have found only temporary housing and no permanent residence at their destination and who are still attempting to settle. Because social security entitlements in China are bound to household registration (see next section), the floating population usually cannot access basic social services in the receiving city. The floating population can be further divided into peasant/migrant workers (农民工) and other groups. Peasant/migrant workers move from villages to cities to earn money in order to improve the financial and social situation of their families. The other groups referred to here in the floating population include persons following family members to a city, or (primarily women) moving to cities in order to marry urban residence holders. At the beginning of the migration flow within China (in the 1980s) the floating population moved largely from villages to cities, but a second flow, i.e. from poor cities to rich cities, subsequently gained importance (X. Ma 2017, 8). Wang Chunguang (2001) and other scholars have identified a new group of migrant workers in China called the 'new generation floating population' or 'new generation peasant/migrant worker' (新生代农民工, 新生代流动人口) (X. Ma 2017, 14 f.). This new generation refers to migrants born in rural areas after the 1980s who went to cities. There are two prominent differences between the old and the new generations of migrant/peasant workers. First, the old generation generally had agricultural experience and was therefore able to work in the villages upon returning from the cities whereas younger migrants lack such experience and are therefore less motivated to return to their places of origin. The second difference lies in the basic motivation for going to the cities. While the old generation left their villages for purely economic reasons – to make money for their families – and then return home, the new generation is motivated equally by economic reasons and the wish to lead an urban lifestyle. These are additional reasons why the younger generation is not likely to return after spending time in a city (X. Ma 2017, 15 f.).

⁵ See <https://handbookgermany.de/en/rights-laws/asylum/right-of-residence.html>.

⁶ Stipulated in § 60 National Ban on Deportation, Residence Act (Verbot der Abschiebung, Aufenthaltsgesetz).

Migrants in both societies have immediate needs. In the German context, the most urgent needs of the migrants arriving in 2015 were for shelter while applying for asylum, and for food, clothing and other essentials. Subsequent services were also needed, such as German language training, schooling for the children, social assistance for vulnerable groups, support in finding employment, vocational training and support in dealing with the manifold administrative requirements. Some vulnerable groups have special security needs as well, such as LGBT persons who sometimes face violence from fellow migrants (Berlin Senate Department for Labour 2016). In the Chinese context, there was a huge demand for workers in cities both before and during the period of this research project. The problem for the peasant/migrant workers was not so much a matter of finding employment per se. But there was a need to match job seekers better with the open positions and also to provide additional training that would prepare them for the particular tasks required by urban employers. In addition, the peasant/migrant workers face discrimination, particularly in the areas of employment, education, endowment insurance, medical insurance, unemployment insurance, subsistence security, and housing security. For example, migrants are not permitted to apply for employment in the government sector. Migrant children are denied entry to standard programs at public schools. They are also barred from taking the college/university entrance exams in their destination cities. Medical insurance is another area of limited access, and social benefits are not comparable to those for citizens with an urban *hukou*. Public safety is also an issue in places with large numbers of peasant/migrant workers (Li 2018, 106).

In both countries, local government levels meet these immediate needs by offering social services to recent arrivals. The LoGoSO project focusses on service provision in the four policy fields of education, employment, social assistance including legal aid, and vulnerable groups (Levy 2020). As explained in the next section, satisfying migrants' immediate needs is only one part of local governments' responsibilities in this area. Indirectly, these measures also seek to facilitate integration, which in turn serves the objective of maintaining social stability and peace.

3 What is the purpose of service provision for migrants?

In both countries the main purpose of service provision is twofold. First of all, it is necessary to satisfy the basic needs of migrants who naturally have no housing, income, work or social security. In addition, the new arrivals need to be integrated into the receiving societies in order to maintain public order and social peace.

Research literature describes different dimensions of integration (Gluns 2017). German sociologists distinguish between systemic integration, understood as the integration of society as an entire system, and social integration, understood as the integration of individual actors into a system (Esser 2001, 3 ff.). Social integration can be further divided into structural integration, i.e. membership in the core institutions of the host society; cultural integration, i.e. normative and cognitive adaptations to the host society; social (in a narrow sense) or interactive integration, i.e. networks with members of the host society; and identificational integration (Heckmann 2015, 71 ff.). The initial reports in the LoGoSO project have already revealed that there are significant differences between the purposes of migrant integration in Germany and China.

In Germany, because the migrants come from foreign countries and cultures, debate focuses on the need to integrate foreign asylum seekers or immigrants into the receiving society for the sake of social peace and internal security. Refugees from Iraq or Syria had a rather high chance of gaining asylum and therefore of integrating more easily into the recipient society.

Other groups of migrants have had lower asylum success rates and faced repatriation either because their applications were rejected due to insufficient evidence or reasons for asylum in Germany or because their place of origin was among the legally stipulated “safe third countries” (Gluns 2017, 9). Beginning in 2013, federal laws started to facilitate access to employment, education and vocational training for asylum seekers from areas with high acceptance rates. For other groups access to these services was restricted, although repatriation sometimes took a long time or was even impracticable. There is no consensus on the definition of integration. Most controversial is the cultural aspect of integration: in 2000, the Christian Democratic Union, which was the largest opposition party at the time, initiated a debate on migration by proposing the notion of a German ‘guiding culture’ (*Leitkultur*) that migrants should adopt (Klusmeyer and Papdemetriou 2009, 231 ff.). Others reject such cultural prescriptions for integration and argue for a pluralist society. Less controversial are the educational and labour market aspects of integration. “Most politicians and elites agree that the participation of migrants and refugees in these systems is desirable” (Gluns 2017, 10). This research project focusses on structural integration, i.e. integration into social service systems such as education, social assistance, pensions etc. (which in Germany are linked with employment). One issue of service provision to be considered in these policy areas is the importance of not putting incoming migrants into competition with already existing low-income groups.

In China, the most important challenge is to integrate the migrants into the social security systems of the receiving localities. The above-mentioned household registration (户口 *hukou*) system was introduced in China in the early years of the People’s Republic, in the 1950s. At the beginning, its purpose was to control rural to urban migration within the country and it was strictly implemented. Consequently, citizens with a rural *hukou* who nevertheless came to the cities were illegal and were not eligible for any public services. Health insurance for them and their families and schooling for their children at a different place from their registered home locations were out of reach. When economic development took off in the 1980s and workers were needed in industrial areas along China’s eastern coast, implementation of the *hukou* regulations was relaxed, but only to a certain degree. Workers were able to move to the cities with less risk of being sent home, but still lacked access to social services for themselves and their families. More recently, migrant workers in the cities have limited access to social services at their places of work. Because the social security systems in China’s rural and urban areas were strictly separate, reform of these systems and the ensuing reform of the *hukou* system are complex processes that are still underway.

In the Chinese context, migrants’ origins and destinations lie within the same country. Linguistic and cultural differences are minor or unproblematic. However, economic backgrounds and educational levels vary widely. The household registration system keeps the floating population out of the social service systems of recipient localities. The biggest problem for integration in China is therefore how to integrate migrants into cities’ social service systems. Figure 1 shows that migrant workers constituted only a very small number of participants in social policy programmes in 2017 whereas most participants were workers with urban *hukous*.

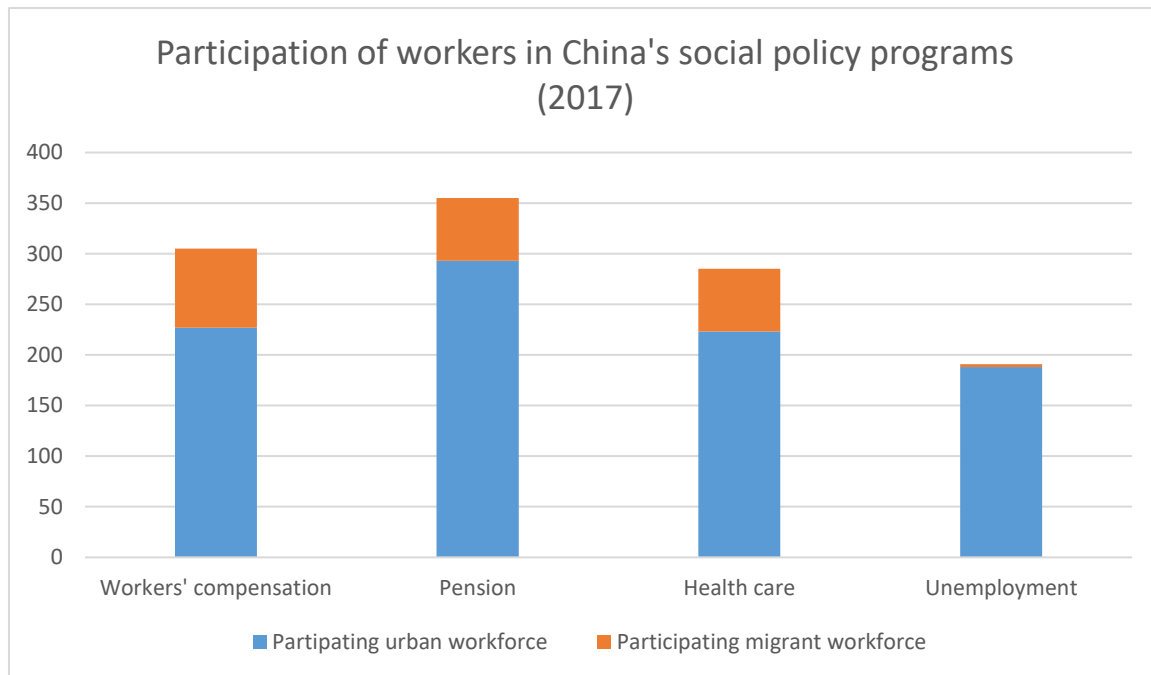


Figure 1 Participation of workers in China's social policy programs (2017). Source: Peterson Institute for International Economics, Washington, D.C..⁷

Like their German counterparts, Chinese scholars have also proposed different theoretical approaches to explain integration processes. One theory of migration in China was developed by Zhou Daming in his study of migrant workers in the Pearl River Delta. This scholar from Sun Yat-sen University in Guangzhou found that migrant workers differ from locals in five aspects: distribution of public goods, occupational distribution, consumption and entertainment, living together, and social psychology. He showed that locals and non-locals had formed two different systems in the community, or in other words a "dual community" (二元社区) (Zhou 2000). Another concept of integration was formulated by Wang Chunguang (2006) under the term "semi-urbanization". He distinguished three types of integration: 1) system integration, i.e. integration into the economic, social, cultural, and institutional system; 2) social integration, i.e. integration into the realms of behaviour and living styles; and 3) psychological integration, i.e. adoption of an urban lifestyle as a type of mindset. Wang concluded that integration of the floating population was not complete in any of the three aspects. As such, the floating population in China could or can be considered as semi-urbanized. Tian Kai (1995) developed the "re-socialization theory" and argued that a migrant population needs to meet three conditions for integration: stable employment, a decent income, and a decent social status (X. Ma 2017, 12). In their theory of a "new dualistic relationship" Ma Xiheng and Tong Xing (2008) described the process of integration as one in which the relationship between migrants and local residents undergoes a transformation from isolation, exclusion and opposition to rationality, compatibility and cooperation (H. Wang 2010).

In short, in both societies integration and social stability are considered important indirect and long-term objectives of social service provision to migrants above and beyond the satisfaction of their basic needs. However, the needs and aims of integration differ in the two countries. In Germany, social integration is more complex in a sense because the migrant population comes from places with different cultures, languages, histories, political-legal systems and economies.

⁷ Available online: <https://www.piie.com/research/piie-charts/many-migrant-workers-are-excluded-chinas-social-programs> (accessed on 12 July 2020).

Integration work and services encompass a large number of different areas. Integration into the social policy system in Germany is clearly regulated by law and therefore a less complex task. By contrast, in China the migrants' places of origin do not differ very much from their destinations as far as culture, language, history and political-legal systems are concerned. The economic system is also the same, but economic situations and states of development can be very different. As such, the main problem is not social and cultural integration as in Germany, but rather the fact that integration into the urban social security system is still only partly possible.

In the next section, I look at the actors and processes of social service provision for migrants in the two countries.

4 Who provides these social services to the migrants and how?

In both countries it is the local governments that are responsible for providing social services to migrants and for integrating them into their respective jurisdictions.

In Germany, the local government, i.e. the specific municipality and/or federal state, is in principle the first provider of social services to migrants. The municipality (*Kommune*) is the third administrative level in the hierarchy, below the federal government (*Bund*) and the federal states (*Bundesländer*). Municipalities, in turn, include various local administrative and territorial structures such as communities, districts (*Kreise*), cities associated with districts (*Kreisstädte*) and independent cities (*kreisfreie Städte*) (Szeili und Zimmer 2017, 2 f.). The local levels of government are responsible for most service areas, such as employment, childcare, healthcare, and housing policies. Recent legislation is intended to support these local government levels in their service provision work. In addition, due to the rapidly increasing demand for social services for migrants, these local governments are also turning to social organisations to support their efforts. These organisations offer services such as German classes and other training designed to help integrate migrants, support them and instruct them in finding employment and housing (Gluns 2017, 11). The term "social organisation" signifies a broad spectrum of organisations, initiatives, and non-profit social service providers in Germany. For a long time, these organisations were members of the five big welfare associations (Diaconia, Caritas, Parity Welfare Association, Workers' Welfare Association, German Red Cross). Of these, the ones representing Protestantism (Diaconia) and Catholicism (Caritas) were particularly strong and organisations would join one of them based on their own religious affiliation. Organisations not affiliated with the larger churches were represented by the non-sectarian German Parity Welfare Association (Paritätischer Wohlfahrtsverband). These umbrella associations also served as avenues of access to public funding. However, there is a trend among younger organisations to work and seek funding outside these associations. More recently, a growing number of commercial providers of social services and organisations which are not affiliated with religious communities are offering services to migrants. Many of these younger organisations are no longer connected with any of the welfare associations. In short, the large welfare associations in Germany are slowly losing influence (Szeili und Zimmer 2017, 15, 21).

In China, the term "local government" refers to all levels below the central government, namely the provinces, prefectures, counties and villages (Ma, Fan and Shan 2017, 1). Local governments' social service provision for migrants is still very limited due to the household registration system. However, they do bear the responsibility of providing social services in their jurisdiction. As the historical overview below shows in more detail, Chinese local

governments have started to share this burden with other local actors, both for-profit and non-profit. In this emerging system of governance networks,⁸ social organisations⁹ have become important partners of local governments in providing services for incoming migrants.

To sum up, both countries' local-level governments bear responsibility for providing services to migrants entering their jurisdiction. They have limited support from above, i.e. from federal/central governments, but feel the pressure of additional expenses and responsibilities. This is why they turn to social organisations to work with them in providing the relevant services. The next section describes the two countries' traditions and structures of social policy and social service provision in which current policies and administrative measures for integrating migrant populations are embedded.

5 Which social policy traditions and structures form the background of social service provision in the two countries?

The definition and aims of social policy differ in accordance with the political setting. On a general level, social policy can be understood as that area of government policy that aims at protecting citizens of a country from hardship. At the same time its goal is to achieve a certain level of social justice and, as a consequence, social stability and government legitimacy. Public service is a broad term that is understood here to encompass public utilities such as gas, electricity and water, public transport, and social services including schooling, elder care and affordable housing (Dong, Cui and Christensen 2015). The social policy systems of Germany and China today are based on longer traditions of social policy and welfare which both underwent periods of expansion and regression in the earlier phases of their development. Both countries have implemented fundamental reforms to improve their systems and ensure that as many citizens as possible can enjoy the services, while also ensuring sustainable funding. In this section, I first take a look at the historical evolution and basic characteristics of the social policy systems in Germany and the PRC. In the second part, I highlight what I consider the main structural characteristics of these systems that form the background of social service provision for the migrants in our study.

Historical evolution of the social policy systems in Germany and the PRC

Medieval precursors of governmental social policy in the general area of what is now Germany took the form of social security arrangements in individual professions and groups in close reciprocal and dependency relationships with territorial sovereigns.¹⁰ *Nationwide codification of social security law* was introduced during the first industrial revolution¹¹ in the second half of

⁸ In the sense of Torfing who defines governance networks as “networks of interdependent actors that contribute to the production of public governance” (Torfing 2014).

⁹ According to current regulations concerning this matter, the term “social organisation” (社会组织) comprises all three officially recognised organizational forms: associations [or membership organizations] (社会团体), people's non-governmental non-commercial entities (民办非企业单位, renamed in 2016 as social service organisations 社会服务机构) and foundations (基金会) (Levy and Pissler 2020, 2 f.).

¹⁰ This description of the origins of the German social system is closely based on the publication from the Bundeszentrale für Politische Bildung (2015).

¹¹ Industrial development is usually described as an evolution in four phases, each of which was spurred by an industrial revolution. The first industrial revolution was launched by the harnessing of steam power and the invention of the power loom that revolutionized production in the second half of the 18th century. The second industrial revolution was introduced by the use of electricity and is characterized by mass production. It commenced in the mid-1800s. Electronics, information technology, and automation are the factors that started the third industrial revolution (beginning in the second half of the 20th century). It is the age of computers, including personal computers. Today we are generally seen as undergoing a

the 18th century. At that time, labourers were migrating in large numbers to the cities and their factories. Social insurance initially meant health insurance, and soon thereafter expanded to include occupational accident insurance. Early protection measures for workers, such as limiting child labour, were introduced in Prussia in the first half of the 19th century. Shortly after Germany was founded as a nation state in 1871, the chancellor of the empire Otto von Bismarck introduced the first social policy laws. The 1880s saw the introduction of early social policies, i.e. statutory health insurance (1883), statutory occupational accident insurance (1884), and disability and old age pensions (1889). These measures initially covered only labourers and lower-level employees. Later, family members and higher-level employees were included in the system. In the beginning, statutory health insurance was financed equally by the insured and the employers. Occupational accident insurance was financed by the employees, and disability and old age pensions by the insured, employers and tax payers. The Weimar constitution contained a comprehensive social policy system which introduced the first separate social assistance for poor young people, World War I relief programmes and unemployment insurance. However, due to economic decline at that time, the system was very unstable and was considerably downsized following the world financial crisis of 1929. Under the Nazi regime, the social policy system of the Weimar Republic with its Prussian roots was abolished. Some services were reserved for “Aryans” and served to maintain this group’s sense of identity and community by marginalizing and demeaning other groups.

In the wake of World War II and the defeat of Nazi Germany, the economy had collapsed and the four victorious powers – the USA, the Soviet Union, the United Kingdom, and France, divided Germany into four occupied areas. The country’s social security system was non-existent and the Allied forces initially provided residents with food and basic goods. Only in 1946 did the Allies gradually allow Germans to participate in political processes and take over administrative responsibilities. Slowly they began to build up a new social policy system from scratch. West Germany (the Federal Republic of Germany, FRG) received massive financial and other support from the western Allies (based on the European Recovery Program, a.k.a. the Marshall Plan) and experienced a tremendous economic recovery in the 1950s. The concept of a ‘social market economy’ also encompassed social security policies. Old-age pensions were reformed in 1957. A federal social assistance law was introduced in 1961-2. Compensation and assistance for war victims were regulated in 1963. And in 1969 an employment promotion law was adopted with the intent of preventing unemployment. In the early 1970s West Germany went through an economic recession in connection with the global oil crisis. Unemployment increased considerably. Because the state took in fewer taxes, some social benefits were abolished. Legislative work on the social security statutes (12 volumes) continued in the 1970s and was concluded in 2005. But social policy reforms continued. A more recent development is the introduction in 1995 of nursing care insurance needed as a result of longer life expectancies.

Meanwhile in the east, a separate German state was founded in October 1949, the German Democratic Republic (GDR). This socialist state had different social policy priorities from those in the FRG. It emphasized a *right to work*, and its social security system centred around workplaces. All retired persons enjoyed a minimum pension. At the same time, high state subsidies kept living expenses low. Most of the GDR’s egalitarian social policy ideas disappeared after the two Germanies reunified in 1989-1990. One of the few GDR welfare

transition from the third to the fourth industrial revolution which is “characterized by a much more ubiquitous and mobile internet [...] and by artificial intelligence and machine learning” (Schwab 2016, 12).

institutions that survived reunification was the “people’s solidarity” (Volkssolidarität), an umbrella organisation for social organisations. After 1990, it became part of the above-mentioned non-sectarian umbrella association, the Parity Welfare Association. Over the years, some elements of the GDR system eventually found their way into the German social policy system. In 2002 a basic provision for old age and long-term unemployment (“Hartz IV”) was introduced. The 2002 reforms (“Hartz reforms”) were a response by the Social Democratic and Green Party coalition government to the economic challenges resulting from reunification. One of the most pressing issues was mass unemployment.¹² Very recently, in 2020, a minimum old-age pension (under certain conditions) was adopted and will come into effect at the beginning of 2021.

Over recent decades the German social policy system has not only had to respond to the challenges of reunification, but also to adapt its particular social policy model, marked by close relations and cooperation between the social welfare umbrella associations and the state, to European regulations and policies. In addition, the free movement of workers within the European Union poses new opportunities and challenges for the system: as long as EU citizens work in employment relationships based on labour contracts encompassing social insurance, they contribute to Germany's social policy budget but at the same time are entitled to social services including unemployment and pensions. Particularly those European citizens who cannot find socially insured employment pose challenges to the social policy systems of all EU member states, including Germany.

Today, Germany's social policy features complex interplay among its three administrative levels. While the federal government is responsible for legislation and regulation, the sixteen federal states in cooperation with the municipalities are responsible for the two main tasks of social policy, namely the implementation of the social policy laws and the provision of social services. From the perspective of decision-making, financing and implementation, there are two main types of social policy implementation: order management and self-governance. Order management includes all “delegated tasks” that are financed and designed by the federal and state governments but implemented by the municipalities with only a certain degree of autonomy. Self-governance and administration can be further divided into obligatory and voluntary tasks. Obligatory tasks are financed by local taxes and the municipal budget, but ordered from above. Voluntary tasks are also financed by municipal budgets, but whether and how these tasks are implemented is up to the municipality itself. In Germany, education (schools and higher education) is usually not regarded as a core area of social policy (Szeili und Zimmer 2017, 13 ff.).

Currently, the biggest long-term challenges in Germany are the ageing of its population and changing work and employment patterns due to a shift from manufacturing and production to more service-oriented and digitalised industries. In addition, globalisation is affecting work and social security by shifting employment from industrialised to low-wage countries, which is leading to higher unemployment in the originating countries and less income for their social

¹² The reforms were named after Peter Hartz, a human resources executive at the German public company Volkswagen AG who advised chancellor Gerhard Schröder on social policy issues and developed this program for the German labour market and job agencies. The program was characterised by a dual approach of “demanding and supporting” (*fordern und fördern*), i.e. demanding the unemployed be flexible and active in their search for employment while at the same time supporting them with job offers and training opportunities. Vigorous debate continues to this day on the effects and long-term consequences of the “Hartz reforms” (see e.g. Bradley and Krüger (2019)).

welfare budgets.¹³ Global crises such as wars, terrorism, and environmental degradation are triggering migration from disadvantaged and endangered countries to industrialized countries with better economic and political conditions. The receiving countries have to find ways to cope with these additional burdens on their social security resources.

In China, social policy and social service provision have undergone substantial changes.¹⁴ Before the PRC was founded and in its first nearly two decades, social security still relied heavily on the family. The young socialist government tried to implement collective forms of social security which took different paths in the country's rural and urban areas. In Chinese cities in the 1950s and early 1960s, work units, neighbourhood organisations and the state supplemented care provided by families. In rural areas the collectives and communities complemented the families' provisions. As was the case in the GDR, it was the employment status of the individual that determined his/her access to social services. The young state developed labour insurance that encompassed health services, pensions and compensation for occupational accidents. Employees of state-owned enterprises (SOEs) and collective enterprises in urban areas were the most privileged in terms of receiving social services. During the Cultural Revolution (1966-1976) this budding system collapsed. Social service provision fell entirely onto the shoulders of individual employers in cities. The work unit (单位 *danwei*) became the sole provider of social security and public goods including health, childcare, education etc. Mass organisations such as the All-Chinese Women's Federation were part of this social insurance system in urban areas. At the same time in rural areas, production brigades and people's communes provided rudimentary social services. Shortly after the Cultural Revolution, the Reform and Opening period commenced.

With the opening of the Chinese market to foreign investors and the marketisation of its economy, Chinese society underwent major changes. The reform of the SOEs in the 1990s led to large numbers of workers in urban areas losing their jobs and a simultaneous increase in the number of retirees. Labour relations changed dramatically. The "iron rice bowl", namely the social security system in urban areas tied to the work units, was shattered. The responsibility for social welfare was transferred from the work units to local governments and street offices and lost its comprehensiveness (Dong, Cui and Christensen 2015, 621). In rural areas, collective agriculture was replaced by the household responsibility system.¹⁵ Again, it was the family that had to take over the burden of social security (Dong, Cui and Christensen 2015, 622). At the same time, local governments lost crucial sources of income due to macroeconomic restructuring and decentralization policies in the 1980s and early 1990s. Without enough income at hand, local governments had to levy fees and charges to raise funds from rural households in order to provide basic services. Excessive fees and charges led to widespread protests by rural populations, particularly in the 1990s (Bernstein and Lü 2003). These protests again led to the abolishment of all fees, charges and even taxes for rural households in the early 2000s (G. Wang 2019).

¹³ At the time of writing, Germany and China are seriously strained and inhibited in their reform and development efforts by the Covid-19 pandemic. The economic consequences of the pandemic and the US-China trade war will pose major challenges to the social policy systems in all countries. However, these special challenges are beyond the scope of this report.

¹⁴ This short outline is informed by the comprehensive overview from Armin Müller (2016).

¹⁵ The household responsibility system was introduced in 1979. In rural areas, farmers were allowed and encouraged to contract their own land from the collective and keep the surplus beyond their obligatory contribution to the collective. The system offered incentives for farmers to increase their productivity as a measure to reduce poverty and increase market production at the beginning of the Reform and Opening policy period of the PRC (Hsu 2018).

These developments led to a gross imbalance between rural and urban areas in China. In the early 2000s the Chinese government was particularly aware that these imbalances harboured the potential for unrest. The two leaders Hu Jintao and Wen Jiabao were strongly committed to the maintenance of social stability. With political slogans and approaches such as 'harmonious society' (和谐社会), 'people-centred' (以人为本) development', and 'service-oriented government' (服务型政府) they intensified the provision of social services. While urban households, particularly employees in the public sector and of (resilient) SOEs, began to enjoy a comprehensive social security system, the rural population had no access to comparable services. The Chinese government therefore began to implement different kinds of policy programmes aimed at mitigating these disparities. They included umbrella programmes such as *Open Up the West* (西部开发) and *Construction of a New Socialist Countryside* (新农村建设) seeking to develop complete regions, and programmes targeting more specific social service issues. Examples of these specific programmes include the *Minimum Livelihood Guarantee* (最低生活保障, or *dibao* 低保 for short), targeting rural and urban households below a certain income; a pension system with separate pillars for public employees, urban workers and rural residents; and a health insurance system, also divided into different systems: the Urban Employee Basic Medical Insurance System, the New Rural Cooperative Medical System and the Urban Resident Basic Medical Insurance System (Dong, Cui and Christensen 2015, 625). In addition, initial efforts were made to include migrants in the cities in social services such as schools and housing (Dong, Cui and Christensen 2015, 628).

At the same time, social service providers in China started to diversify. For-profit and non-profit organisations became involved, and forms of provision now included public-private partnerships and other types of cooperation (Saich 2008). In 2002 the Public Procurement Law and subsequent policies on public service procurement made it possible to subcontract the provision of social services (Levy 2020).

The PRC currently also faces some specific challenges to its social policy and security system. Like Germany, China's population is also ageing rapidly. At the same time, the household registration system that makes it so difficult to merge rural and urban social security systems is still in place despite early reform efforts. Due to the still very different speeds of development in different regions of the country, the phenomenon of migration from poorer and mainly rural areas to more affluent regions and cities in search of work and a better life plus the wish of complete generations of migrants to stay in their destination cities for good also pose serious challenges to the receiving cities' administrative capacities. Finally, also like Germany but within a shorter period of time, China is experiencing a shift from being the world's 'work bench' to becoming a high-tech and highly innovative industrialized country. This shift implies changes in production patterns, educational systems and vocational training. In addition, different work patterns will have repercussions for people's health, life expectancies and needs in old age.

Some fundamental structural characteristics of the social policy systems in the two countries

The German social policy system is characterized by the federal structure of the government, a combination of basic principles of self-responsibility, solidarity and subsidiarity, and what is known as a welfare mix. The idea that the government has to provide a certain level of social security to its citizens derives from the German Basic Law (*Grundgesetz*). It stipulates that Germany is not only a nation of law and a democracy but also a social welfare state (*Sozialstaat*). It is also a federal state. Different levels in its administration are responsible for different aspects of social policy. As mentioned above, Germany has to respect not only its

federal division of powers but also the EU and other international institutions. Self-responsibility, solidarity and subsidiarity are the underlying interlocking principles of the German social policy system. Self-responsibility means that individual performance affects the scope and duration of social services provided by the state. Individuals are encouraged not to rely too much on the state but rather to find solutions to their problems if necessary with the help of the community. This is directly connected with the second principle, namely solidarity. The community shall support the needy who cannot help themselves. Finally, subsidiarity means that the stronger forces help the weaker ones to enable them to take responsibility for themselves. This principle is not only valid for the relationship between the society and the individual, but also for the relationship between higher (more powerful) and lower levels of government. The welfare mix is the principle of cooperation between state organs and societal welfare organisations. While the state provides financial means and services, the distribution and implementation on the ground is left to either public law bodies (such as insurance companies or authorized government agents) or non-state actors such as welfare organisations (Bundeszentrale für Politische Bildung 2015). In Germany the welfare regime is insurance-based with a strong emphasis on transfer payments. It strictly distinguishes between social security (national level) and social welfare (local level). Traditionally, social services have been regarded as private tasks of families, and as far as services are included in the public welfare system they are provided by the government in cooperation with social organisations (Szeili und Zimmer 2017, 14 f.).

As for China, two structural characteristics have stood out throughout the history of the social policy system in the People's Republic: social policy is a matter for local government levels instead of being centralized, and it is a self-reliant system that has never been entirely financed by the state (Dong et al 2015). The responsibility for social services lies with local governments, i.e. the provincial, prefectural, county and municipal levels. Sub-provincial levels bear most of the costs for providing social services (World Bank 2002). Self-reliance means that the family has always played an important role in the social security system of the Chinese. When the Reform and Opening policy was introduced, state and collective institutions partially retreated from their service provision functions, market mechanisms came into play, and public service providers diversified to include public and private actors (Dong, Cui and Christensen 2015, 621). In 2011, the PRC introduced a Social Insurance Law in an attempt to unify the disparate social security systems in its rural and urban areas, but did not tackle the core issue of the *hukou* system still in place.

These brief outlines of the social policy traditions and structures in the two countries show that although their histories and traditions have taken very different paths, the social policy traditions in Germany and China still show some similarities. In both countries the social policy systems developed out of efforts to protect workers in particularly precarious conditions due to processes of industrialisation and "modernisation". The systems then expanded to cover more groups in society. The most significant characteristics of social policy development in China as compared to Germany are first the large gap in development and wealth between rural and urban regions, and second the household registration system which poses a structural obstacle to equal development in rural and urban areas which is very hard to overcome.

Regarding the provision of social services, such services have traditionally been considered family issues. However, over the course of time, social services have been provided in cooperation between local governments and social organisations. This has been described as corporatism for Germany (Bode 2011, Zimmer 1999) as well as for China (Unger and Chan 1995). More recent development trends in the third sectors of both countries lead away from

corporatism. In Germany, the umbrella organisations are losing structural and representative functions for the individual social organisations, while commercial actors are becoming more important (Zimmer 2019). In China, there are no umbrella organisations comparable to those in Germany, but social organisations do cooperate closely with the state. Over recent decades, their connections to state organs have declined in part due to the emergence of more privately established organisations.¹⁶ In addition, in both countries neo-liberal ideas have influenced state-social organisational cooperation via efficiency-based and market-oriented principles (Zimmer 2019, Hu 2012). However, a close cooperative relationship in social service provision still prevails in both countries. The most obvious difference between them lies in the degree of freedom their social organisations enjoy. At the time of writing, a tendency toward stricter state control of the third sector was becoming increasingly apparent in China. The recent adoption of the Law on Foreign Non-Governmental Organisations¹⁷ heavily restricts the activities of foreign NGOs (Shieh 2018), and the Charity Law (2016) also poses high hurdles for domestic social organisations (Levy and Pissler 2020).

6 Conclusion

This report juxtaposes the provision of social service provision to migrants in China and in Germany, against the backdrop of the historical development, traditions and principle structures of social policy in the two countries. It compares the aims, actors and processes involved in service provision.

Leaving aside the obvious and fundamental differences between the two countries in terms of size, geographic position, political systems, cultural and historical experiences, and economic development and structures, some striking similarities become apparent, especially regarding the actors and processes of social service provision for migrant populations. Both countries have (1) traditionally emphasized the central role of the family in providing social services, and their early ideas on social policy revolved around protecting workers, and (2) later developed forms of corporatist state-social organisational relations. These developments have (3) more recently been modified by neoliberal trends in public administration and (4) the growing importance of commercial service providers. In both countries the burden of providing social services lies (6) on the shoulders of the local governments, and (7) local governments seek to share this responsibility with social organisations that often act as more or less equal partners who contribute their knowledge, skills and human resources to varying forms of cooperation. Finally, there is also (8) a trend toward greater distance between state and social organisations evident in Germany in younger social organisations that work outside the sphere of the umbrella organisations and in China in the emergence of privately established organisations.

However, even though both countries strive for integration for the sake of social peace and stability when providing social services to migrants, the aims of integration as such differ greatly. In Germany the migrant population needs to be integrated not only administratively but also socially and culturally. In China, the goal of integrating migrants into the social security system is the most important aspect and also the biggest challenge. Last but not least, despite the fact that governments are always stronger than their societal counterparts, the power

¹⁶ The 2004 Regulation on Foundation Administration paved the way for privately initiated foundations in China (Levy and Pissler 2020). For a discussion of the much larger group of non-state grassroots organisations, see e.g. Spires (2011).

¹⁷ Law of the People's Republic of China on the Administration of Activities of Overseas Non-Governmental Organizations within the Territory of China (中华人民共和国境外非政府组织境内活动管理法), in force since January 2017.

asymmetry in local government/social organisation relations is much more pronounced in China due to the authoritarian nature of the currently tightening political atmosphere for social organisations in the country's political system (Levy and Ketels 2019).

This comparison between Germany and China shows that in very different political and governance systems, social service provision for migrants poses similar challenges to public administrations and leads to similar cooperative efforts between local governments and social organisations as well as analogous institutional procedures.

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