

**Chiba University 21st Century COE Programme International Symposium/
The First Asian Public Policy Research Consortium Meeting**

**Human Welfare and Public Policy under Social Justice, Equity and Democratic based
Relationships: Asian Challenges for Establishing Sustainable Welfare Society**

Dates: Monday, 27th and Tuesday, 28th March 2006
Venue: Chiba University (Inage-ku, Chiba, Japan)
(Nishi-Chiba Campus, University Convention Hall 'Keyaki-Kaikan')

The Main Organiser:
The Research Centre on Public Affairs for Sustainable Welfare Society (ReCPA),
21st Century COE Programme, Chiba University

Co-organisers:
The European Foundation on Social Quality (EFSQ), The Oxford University China Programme (OUCP),
The Society for the Study of Social Policy (JSPA), The Japan Association for Asian Studies (JAAS),
Taiwan Social Policy Association (TSPA) & Hong Kong Association of Gerontology (HKAG)

Supporting Organisations:
United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), United Nations
Development Programme (UNDP), HelpAge International (HAI), The Delegation of the European
Commission to Japan (EU), The EU Institute in Japan (KANSAI), Japan International Co-operation
Agency (JICA) & The Institute of Developing Economies-Japan External Trade Organisation (IDE-
JETRO)

Special Contributing Organisation:
United Nations Research Institute for Social Development (UNRISD), Geneva, Switzerland

Language: English (A Japanese brochure is available)

1. Aims of the COE Conference

Tetsuo Ogawa

Following Chiba University's APEC Official Symposium: *Catalytic Role of the APEC Process: Behind the Border, Beyond the Bogor Goals* on Tuesday, 14th and Wednesday, 15th March 2006, the Chiba University 21st Century COE programme: the Research Centre on Public Affairs for Sustainable Welfare Society (ReCPA) organises this conference with which to open the debate in order to contribute to the development of 'Sustainable Welfare Society' in Asia and the EU. Under globalisation and population ageing which challenge Asia and the Pacific region, it is now necessary for policy makers, scientists, NGOs to discuss and re-define an increasing role of social policy to economic policy in the region in order to attain mutual goals for social and economic developments.

The conference aims to discuss social policies from the EU and Asia comparative perspective, in order to establish an independent identity for social quality, with a unique focus on the quality of *the social*, which enables it to act as the rationale for economic, social and cultural policies and, therefore, an escape from the dominance of narrow thinking in policy making. These Asian states should respect cultural diversities and cross-cultural understanding. This supposes specific public policies for creating social justice, equity and democratic based relationships, which implicates the strengthening of human welfare. The conference's motive is that the enlarged FTA zones in Asia may be characterised with considerable international population mobility and an emergence of

new social actors and organisations in the region. This is also a key component of broader cultural diversity. The diversity and the emergence of the new civil society may carry important implications for policies in Asia, and *Options and Choices* towards the supposed 'Sustainable Welfare Society'. Important for this conference is to examine the role and implications of cultural diversity and new emergencies of social actors (volunteers and social entrepreneurs) and organisations (voluntary organisations, NGOs and INGOs) and to understand in which way they may contribute to 'Sustainable Welfare Society'.

This conference may be seen as the first Asian event for debating the nature of public policies with which to contribute to 'Sustainable Welfare Society' and its international co-operation. Therefore, the conference should deliver the starting points for comparative research on welfare states in Asia, as well as in Europe. Implicitly, scientists present their suppositions about the nature of these 'Sustainable Welfare Society' in the context of the recent history of their countries and their interpretations of the consequences of global tendencies for their countries, regions and cities: how to cope with these consequences in order to prepare for social justice, equity and democratic based relationships and the related human welfare under current circumstances?

With this in mind the conference will have a twofold character. First, scientists from Asia will be invited to present related papers. Second, the Chiba University ReCPA with the European Foundation on Social Quality (EFSQ) will start a debate about new 'Sustainable Welfare Society' on the basis of the recent outcomes of the 'social quality approach' in comparison to the manifold of 'quality of life approaches' in Europe, to contribute to international co-operations under the idea of Social Asia and its regional collaboration with establishing and developing a methodology and research framework to these issues. This debate will be related to the outcomes of the papers by the invited scientists, in order to connect this main theme with recent experiences and interpretations in Asian countries. In addition, the main purpose of this exercise is to start an Asian University Consortium on Social Quality (AUCSQ) to elaborate of coherent and consistent contributions to the idea of 'Sustainable Welfare Society' in Asia. Under the theme, Chiba University ReCPA and the European Foundation on Social Quality (EFSQ) will also start the elaboration of this twofold character of the conference and further development (See Appendix).

2. Background Information for the COE Conference

Tetsuo Ogawa & Laurent van der Maesen

Societal trends and public policies interact strongly with individuals' quality of life. Public policies also carry strong impacts on the ways in which people try to pursue their aims and personal goals, and their possibilities of achieving them. This objective is to expand the ideas of the public perceptions and public policy concerning the relations between, on the one hand, current societal and policy trends, and on the other, the quality of life (or well-being) of individual citizens, as well as the implications of these relations for public policies. This addresses the effects of societal trends and of policies on quality of life. Such trends may include: changes in demographic trends related to population ageing and low fertility rates; in gender roles; in social or family relations; in the organisation of care for children, the sick or the growing demand for older people in need of care; in work and use of time; in division of labour and income. Another important aspect of the concepts in public policy includes the relation between public policies (namely social care, employment, education, environment and health policy) and people's coping strategies throughout their lifespan. This could also address the relationships between traditional economic indicators of welfare, such as GDP, and innovative measures of the quality of life including subjective and objective indicators of the quality of life by the WHO and the Human Development Index (HDI) and Human Poverty Index (HPI) advocated by the United Nations Development Programme(UNDP). Gender aspects of these issues should be examined and a comparative approach is highly appropriate in this context.

Social inequalities present major challenges towards many Asian Society and may affect their cohesion as well as their social and economic development. The objective is to understand how inequalities in society change, are reproduced, and their economic and social consequences. This conference should address the effects of production and reproduction of social inequalities and their rise or fall; how such inequalities and their consequences vary between different Asian Society, as well as in other regions of the world, including differences in social mobility. Other aspects, which may be addressed, include the relations between social inequalities and economic and social performance (e.g. growth, productivity, quality of life, crime, social cohesion and the "quality of society", the Social Quality approach advocated by the EFSQ; cultural issues of inequality including the impact of inequalities on attitudes to others). The changing role of knowledge-related factors in inequalities - e.g. of knowledge aspects of cultural and social capital acquired by individuals, of qualifications of particular kinds, of access to knowledge-producing institutions, to training, acquisition of capabilities in seeking out relevant information - may be explored. Inequalities of various kinds and their interrelations should be considered. The actual and potential role of policies in relation to the above issues must be assessed, and gender perspectives should be included in the conference. Improvements of measures of inequality, including how changes in the use

of public services and of public facilities which are “free” or heavily subsidised could be included in the assessment of trends in inequality.

The adherents of the new social quality approach adopt the thesis that a clear understanding of ‘the social’ vanished from social science itself (economics, sociology, political science, law). Over time, the interpretation of social and individual developed into a direction that confronts the two as distinct areas, relating as mutually external ‘faits sociaux’ on the one hand and ‘faits individuels’ on the other hand. Moreover, individuals are seen as the actual core of life, confronted with a society, which is a seemingly superior power. Therefore, a simplified measurement of well-being and social justice, reducing them to the status of individuals, is rather limited. As valuable as results may be in certain regards and as useful as they may be for informing *ad-hoc* policies, they largely fail as soon as it comes to conceptualise policies in the sense of fundamentally shaping society. Actually, attempts to measure well-being are largely reduced on managerialist social policy and social management approaches. They aim at regulating relations between individuals and, at most, certain groups. However, by and large there is at most only a very limited understanding of what ‘the social’ actually is and how it is produced. Finally, this particular Western European position seems to be inadequate for analysing processes in Asian countries as well.

In the context of the ‘quality of life approaches’ recent years have seen a huge expansion in the statistical data available to policy makers and the general public in Europe, including statistical digests from Eurostat, DG Employment’s Social Situation report and the Quality of Life in Europe series from the European Foundation for the Improvement of Living and Working Conditions in Dublin. While this expansion of information is a positive step, because such information is part of the life-blood of democracy, it has a paradoxical dimension. As vital as statistical data are to both policy making and political participation they tend to reinforce policy fragmentation, which makes it hard for policy makers to tackle problems in a holistic way and for citizens to comprehend what is happening to society, due to a misunderstanding of the reciprocity (or better dialectic) between the individual and societal wholes. This is where the social quality concept comes in. The key aim of social quality is to overcome the present fragmentation of policy, for example at the EU level, between welfare policies, economic policies, employment policies, juridical policies and cultural policies. Its aim is also to overcome the dualistic interpretation of the relationship between individual beings and societal wholes. By creating a coherent, theoretically grounded, concept that not only embraces all policies but also all stages of the policy process it is intended to furnish both policy makers and the general public with an analytical tool to understand society and the role of its citizens, and to change it. The comparison between the social quality approach and the manifold of quality of life approaches will also be based on the recent study by David Phillips from the University of Sheffield (*Quality of Life*, London: Routledge, 2006). In other words, since the last decade impressive work is done which will function as an instrument for this conference in Chiba.

3. Programme

Monday, 27th March

09:45- 9:55 Welcome Remarks:

Professor Toyoki Kozai, President, Chiba University

Guest Greetings:

Ms Silvia Kofler, First Counsellor, Head of Press, Public and Cultural Affairs, Delegation of the European Commission to Japan

10:00-10:10 Opening Address:

Dr. Tetsuo Ogawa, Faculty of Law and Economics, Chiba University

10:15-11:00 The First Keynote Lecture:

‘Reflecting on East Asia Regionalism’

Professor Takashi Shiraishi, Vice President, National Graduate Institute for Policy Studies, Japan

11:10-11:20 <Coffee break>

<First Sustainable Welfare Society Symposium>

The Future of Well-being: Myths and Realities in Asia and the EU from Warfare States to Welfare Society?

Chair: Dr King Tsao, Chinese University of Hong Kong, Hong Kong SAR, P.R. China

- 11:20-11:40 ‘Rethinking the Institutional Blueprint of APEC’
Dr. David W.F. Huang, Associate Fellow, the Academia Sinica and Associate Professor of Politics, Institute of National Development, National Taiwan University, Taiwan
- 11:40-12:00 ‘Poverty in Asia and the Role of Social Policy: Possible Lessons from Europe’
Professor David Gordon, Director, Townsend Centre for International Poverty, Research, University of Bristol, U.K.
- 12:00-13:30 <Lunch and Lunchtime Session (closed)>
- 13:30-13:50 ‘Russian Pension Reform as an Example of a Welfare Reform in a Transition Economy’
Dr. Dmitrei Streltsov, Senior Expert, Trade Representative of the Russian Federation, Russia
- 13:50-14:10 ‘Social Protection Systems in Newly Industrializing Countries in the 21st Century: A Comparative Study among Asia, Africa and Latin America’
Mr Koichi Usami, Institute of Developing Economies, Japan External Trade Organisation (IDE – JETRO)
- 14:10-14:30 ‘Citizenship and Social Justice: the Emerging Challenge to Sustainability from Declining Public Trust’
Professor Peter Taylor-Gooby, Network Director, Social Contexts and Responses to Risk (SCARR), University of Kent at Canterbury, U.K.
- 14:30-14:40 ‘Possibilities of “Sustainable Welfare Society in Asia”: Different Paths from the European Experience?’
Professor Yoshinori Hiroi, Faculty of Law and Economics, Chiba University, Japan
- 14:50-15:10 ‘The Workfare Illusion: Why Workfare Is and Will Remain of Limited Significance in EU Member States’
Dr. Michael Dostal, Brunel University, U.K.
- 15:10-15:30 ‘How Can the World Best Respond to China’s Growing Strength?’
Dr. Suzanne X. Yang, Assistant Director, China Programme, University of Oxford, U.K.
- 15:30-15:45 <Coffee break>
- 15:45-17:00 Discussion
Chair: Dr. Laurent van der Maesen, Director, the European Foundation on Social Quality, the Netherlands
- 17:10-18:00 The Second Keynote Lecture:
‘The Prospects for Sustainable Welfare East and West: A Potential Role for Social Quality?’
Professor Dr Alan Walker, University of Sheffield, U.K.

Introducer: Professor Makoto Kono, Hyogo University, Japan
- 18:00-19:40 Reception at *Keyaki-Kaikan*

Tuesday, 28th March

- 10:00-10:10 Opening:
Dr Ilcheong Yi, Kyushu University, Japan
- 10:15-11:00 The Third Keynote Lecture:
‘Social Quality: a Philosophical Analysis’
Professor Dr Jan Baars, University of Tilburg, the Netherlands

Comments: Professor Masaya Kobayashi, Faculty of Law and Economics, Chiba University
- 11:00-11:20 <Coffee break>

<The Second Sustainable Welfare Society Symposium>

Developing Well-being in Asia and the EU: Research Comparability and Methodology - the Social Quality Approach

Chair: Professor O-K Lai, Kwansai Gakuin University, Japan

- 11:20-11:40 ‘Sustainable Welfare Societies and the Social Quality approach’
Dr. Laurent J.G. van der Maesen, Director, the European Foundation on Social Quality, the Netherlands
- 11:40-12:00 ‘Social Quality in Established Democracies May Require Emotional and Rational Participatory Space’
Mr Osama M. Rajkhan, Social Affairs Officer and Human Rights Focal Point, Population and Social Integration Section, Emerging Social Issues Division, United Nations Economic and Social Commission for Asia and Pacific, Bangkok, Thailand
- 12:00-13:30 <Lunch and Lunchtime Session (closed)>
- 13:30-13:50 ‘Social Protection in the Context of Rapid Ageing: A Major Asian Challenge for Establishing Sustainable Welfare States’
Dr D. Wesumperuma, HelpAge International, Thailand
- 13:50-14:10 ‘Are we all Confucianists? Similarities and differences in between European And East-Asian policies for care of frail older people’
Dr. Bernard Casey, Pension Institute, Cass Business School, U.K.
- 14.10-14.30 ‘Globalisation and Ageing in India: Urgent Need For Radical Policy Reforms’
Dr. Arvind K. Joshi, Banaras Hindu University, India
- 14:30-14:50 ‘Common Property Resources and the Changing Structure of Village Society in India’
Professor Haruka Yanagisawa, Faculty of Law and Economics, Chiba University, Japan
- 14:50-15:10 ‘Work, Risk and its Management in Asia – A Preliminary Observation’
Dr. Raymond Chan, City University of Hong Kong, Hong Kong SAR, P.R. Chin
- 15.10-15.30 ‘Reforms and Paradigm Shift for Welfare Sustainability: Issues for a Welfare Society’
Professor Ngiam Tee Liang, National University of Singapore, Singapore
- 15:30-15:45 <Coffee break>
- 15:45-17:00 Discussion
Chair: Dr Laurent van der Maesen and Dr Tetsuo Ogawa
- 17:10-18:00 The Fourth Keynote lecture:
‘Social Policy and International Co-operation in Asia and the Pacific: A Concluding remark on the Chiba University COE Conference’
Professor Gordon Chan, Division Head, Division of Social Security, National Policy Foundation and National Taiwan University, Taiwan

<Other Speakers and Panelists>

Professor Akira Suehoro, Institute of Social Science, The University of Tokyo, Japan
Professor Toshio Watanabe, President, Takushoku University, Japan
Professor Shogo Takegawa, University of Tokyo, Japan
Professor Chizuru Kabumoto, Sugiyama Jogakuen University, Japan
Mr Keiichiro Oizumi, the Japan Research Institute, Japan

4. Paper Abstracts

The First Keynote Lecture:

‘Reflecting on East Asia Regionalism’

Professor Takashi Shiraishi, Vice President, National Graduate Institute for Policy Studies

In this lecture I would like to examine the current state of East Asian regionalism. The lecture underlines the three important features of East Asian regionalism, namely that it is built on market-driven regionalization

processes, that the common political will was born at the time of the 1997-98 crisis to create regional institutions to address some of the common problems confronting the region, and that ASEAN functions as the hub in the evolving network of regional cooperation in fields like regional currency coordination, trade and investment cooperation, and confidence building. East Asian regionalism is not China-led or Japan-led. Nor is it undermining the US-led regional order build on the hub-and-spokes security system.

<The 1st Sustainable Welfare Society Symposium>

The Future of Well-being: Myths and Realities in Asia and the EU from Warfare States to Welfare Society?

‘Rethinking the Institutional Blueprint of APEC’

Dr. David W.F. Huang, D.Phil (Oxon), Associate Fellow, Academia Sinica and Associate Professor of Politics and International Relations, the National Taiwan University, Taiwan

The Asia-Pacific Economic Cooperation (APEC) is often characterized as a loose forum with a minimal institutional buildup. To some extent, this lack of institutionalization can be attributed to the original intent of APEC founders, who deliberately avoided powerful supranational institutions resembling those of the European Union (EU). In contrast with a legalized regime like the EU, APEC has evolved into a confidence-building forum based on “open regionalism” and “concerted unilateralism.” Central to APEC’s operations are non-binding consensus and voluntary actions, which are widely believed to provide no institutional incentive for member economies to produce tangible results relevant to APEC goals. As a result, APEC is often derided as “little more than a talk shop” To what extent is the above characterization of APEC institutions empirically sustainable? Analyzing the content of 11 APEC leaders’ declarations, and 825 APEC funded as well as 217 self-funded project proposals between 1993 and 2003, we attempt to show that not only do APEC leaders’ declarations provide a coherent agenda for APEC members to follow, but also APEC members appear to develop their own reputation, care for the norm of reciprocity, and even seek partial alliance among themselves in planning and executing various APEC projects. To this extent, it seems that member economies act “as if” they are subject to some APEC institutional constraints.

‘Poverty in Asia and the Role of Social Policy: Possible Lessons from Europe’

Professor David Gordon, Director, the Townsend Centre for International Poverty Research, University of Bristol, U.K.

At the beginning of the 21st Century the United Nations and the governments of 189 countries adopted the Millennium Development Goals which included a target to halve extreme poverty and hunger rates between 1990 and 2015. This paper will discuss the extent and nature of poverty in Asia and the social policies which would be needed in order for poverty to fall by half by 2015.

The idea that it is possible to end poverty is over 200 years old. The French enlightenment philosopher Marie Jean Antonine Nicolas de Caritat, Maquis de Condorcet argued in *Sketch for a Historical Picture of the Progress of the Human Mind* (published posthumously in 1794 by the government of the new French Republic) that poverty was not a result of natural laws or divine will but was caused by ‘*the present imperfections of the social arts*’. He argued that poverty could be ended by using what are now called welfare state solutions - the universal provision of pensions, grants to the young, sickness benefits and state education.

This paper will examine recent research and debates into socio-economic security in Europe within the social quality framework and the extent to which these kinds of redistributive solutions utilising welfare state mechanisms may be transferable to an Asian context.

‘Russian Pension Reform as an example of a welfare reform in a transition economy’

Dr Dmitri V. Streltsov, Ph.D. (Russian Academy of Science), Senior Expert, Trade Representative of Russian Federation in Japan

The principle problems of Welfare reform in Russia are derivative from the transitional character of the economic system. The transition process to a market economy has actually been accomplished in late 1990-s with the privatization of almost 75% enterprises. Yet the welfare system inherited from the Soviet period has not been subject to any principle change and remained intact. By early 2000-s, the government faced the urgent necessity to conduct radical reforms of medical and social security systems, given the serious socio-demographic and economic structure shifts that took place within the past decade of the post-Soviet period.

First, there is a demographic factor. Within the general trend, the Russian population is rapidly aging. The salient feature of the demographic trends in Russia is that they are explained by only partial recovery of the birth

rate after its recent sharp decline, with a graduate increase of life expectancy at birth. The latter is projected to pick up from 59 years for men and 72 years for women, to 66 and 78 years correspondingly by the year 2050. These projections underpin severe problems to be faced by the social security system in the future. With an aging population and a declining birth rate, PAYG scheme system becomes clearly unsustainable and may run out of funds very soon.

Second, there is a problem of the government performance as a “social welfare state” which cannot be evaluated correctly without due consideration to the political aspect of the problem. Ignoring the political aspect of the problem would result in some counter-productive abstract schematizing which prerequisites “a good will” of a Confucian-style government, a notion which is far from today’s reality of Russia.

I share the view that the main objective of all social-sphere reforms under the present administration is not to build a stable and sustainable welfare system but to lower the budget burden and lessen the sphere of state duties and responsibilities towards its citizens. The prevalence of a purely “budget-saving” approach to welfare reforms can be easily traced in the reforms of medical care system, military call-up, municipal economy etc. Actually, reform strategy presumes an inevitable existence of even broader gaps between upper (wealthy) and lower (poor) levels of social pyramid and a considerable deterioration of state-guaranteed “basic” welfare standards for all the citizens.

After the failure of state authorities to smoothly conduct the so-called “privilege monetization” in early 2005 (abolition of privileges of low-income social stratum with inadequate monetary compensation) that caused vast social unrest, the administration has practically shelved all principal social reforms postponing them to the period after the 2008 presidential elections.

Generally speaking, all welfare system reforms in transition societies submit to the logic of the political situation. The mainstream of reforms therefore depends of the balance between the optimization vector (the elite attempts to optimize social and economic environment via structural reforms) and the beneficiary pressure vector (endeavor of various interest groups to obtain maximum of preferences via state paternalistic measures, privileges and other non-market benefits).

In Russia one could trace an evident prevalence of the “beneficiary pressure” vector. I mean that the administration pursues now a budget-exhausting “adjustment policy” - spontaneous and irregular increase of pensions and salaries of budget sphere workers are not accompanied by a consistent and long-eyed strategy of building a sustainable social welfare system.

Such an approach can clearly be traced through the Pension reform which was initiated by the government (the 2002 legislation). The reform envisages transition from the pay-as-you-go (PAYG) system to a mixed one, combining PAYG and funded elements.

The new pension system is based on the mandatory pension insurance. Due to introduction of the so-called “three pillars” approach, a pension should include three portions: the basic, the insured and the accumulating portions. The government intends to gradually increase the accumulating portion which is administered presumably by private managed pension plans. According to some government experts’ estimates, after the year 2032 pensions obtained from the funded component of the social security system overweigh losses of the PAYG components, and advantages of the mixed system become more and more significant. As a result, in the year 2050 average pensions in the mixed system are expected to exceed that of the PAYG system by 42%.

To my opinion, there remain many uncertainty elements in terms of its basic figures and long-term estimates. Many problems still exist in the institutional infrastructure and managerial principles of the pension system as well as its separate elements. There is a great deal of skepticism to the macroeconomic and demographic calculations proving the long-term sustainability of the reformed pension system. But the weakest point is the very staking on the funded (accumulating) portion as a basic pillar of the pension system in the long-term perspective. For the purposes of a mandatory public pension system, where the government is held responsible by the society, forcing ill-informed people into making risky choices between private portfolio managers is to be far from optimal. This is especially true for Russia with its sharpened sense of social justice, on one side, and notorious “special connections” between state and business leading to incredible “success stories” of selected entrepreneurs, on the other.

Besides, the new legislation lacks any statement referring to a distinct duty of state to ensure the decent and fair basic level of life for retirees. Under the acting law, state has the obligation only to pay the “basic part” of pension (which is no more than one-fourth of the subsistence level and does not even cover the communal expenses). It is not mandatory for the state, from the purely legal point of view, to cover any budget deficit of the National Pension Fund and to ensure the adequate payment of all three portions of pension. In case of a collapse of “ensured” or “funded” portion, all risks and responsibilities would consequently be laid on the National Pension Fund and the portfolio management companies.

‘Social Protection Systems in Newly Industrializing Countries in the 21st Century: A Comparative Study among Asia, Africa and Latin America’

Mr Koichi Usami, the Institute of Developing Economies (IDE), Japan

Since 2000 the Institute of Developing Economies has organized various research projects on social policy in the newly industrializing countries in Asia, Africa and Latin America. This year we published one of their results titled “Social Protection Systems in Newly Industrializing Countries in the 21st Century” where we studied on the case of South Korea, People’s Republic of China, Hong Kong, Taiwan, Singapore, Turkey, South Africa, Mexico, Brazil, Argentina and Cuba.

Our hypothesis is that the actual societies in these countries also have experienced the process of reflexive modernization as Beck, Giddens and Lash advocate. Industrialization has become advanced and market economy is getting more important in these countries in parallel with that of the developed countries, but in different way. In most of the newly industrializing countries, on one hand industrialization is still on going, but on the other hand service sector continue to weigh more in the economy and industrial relations are becoming more flexible. We can observe individualization of social risks under this situation in these countries. Therefore existing social security system doesn’t match the new type of risks. At the same time we also observe that civil society is getting more space and becoming more important in the welfare state of the newly industrializing.

In this study group, first we tried to clarify the social situation of “late modernity” as Giddens advocate in each country. Second, we analyzed how each society recognizes the new risks in the new situation. Third, we analyze how the old welfare state has been reconstructed to meet new needs, focusing on the role of civil society and family.

‘Citizenship and Social Justice: the emerging challenge to sustainability from declining public trust’

Professor Peter Taylor-Gooby, Network Director, Social Contexts and Responses to Risk (SCARR), University of Kent at Canterbury, U.K.

The traditional *neo-Keynesian* welfare state settlement in many western countries is breaking down for two reasons:

- Difficulty in financing services to meet the new social risks generated by labour market and family change; and
- Retrenchment of unproductive expenditure in response to the challenges to the economic autonomy of nation states from globalisation.

An emerging *Third Way* settlement, promoted by the EU and particularly advanced in the UK, stresses social investment to activate the workforce and market competition to enhance the productivity of public services. In this way, the state welfare is reinstated as indirectly productive in an economy where policy-making is dominated by a competitiveness imperative.

This paper reviews the impact of these changes on social citizenship and pays particular attention to the possibility that new welfare state policies may meet policy-makers’ expectations in terms of higher output and greater responsiveness to expressed demand. However these achievements may be gained at the costs of undermining citizen trust in public policy. This problem arises because the new policy directions rest on a tradition of economic psychology, decision theory and organisation theory which understands the choices of both individual service-users and the managers and professionals who act as service-providers as driven by rational deliberation. The new policies operate by fine-tuning the structure of incentives facing these actors. Current research in political science, psychology and sociology offers an interpretation of public trust as based on both rational cognitive and non-rational affective components. The new policies do not address the affective side of public trust.

This threat to the sustainability of the new welfare settlement is analysed in the context of continuing research on public trust carried out by the ESRC Social Contexts and Responses to Risk network (www.kent.ac.uk/scarr) and on public attitudes to a pillar of the UK welfare settlement, the National Health Service. It is particularly relevant to developing welfare settlements in East Asian countries, where state welfare effort is directed increasingly to securing national competitiveness and where the foundations of public trust have traditionally been particularly strong, but are now being rapidly eroded by social change.

‘Possibilities of “Sustainable Welfare Society in Asia”: Different Paths from the European Experience?’

Professor Yoshinori Hiroi, Professor of Welfare Policy, Faculty of Law and Economics, Chiba University

In understanding social protection systems in Asian countries, two axes can be set as a tentative frame of reference. The first axis is a “Vertical” axis, in which the evolution of social protection system is understood as a

policy response to industrialization, urbanization, change of family structure etc. This is a somewhat “linear” model of development of social protection systems in Asia, but has some relevance as there are huge variations regarding the degrees of economic development or industrialization in Asia, particularly in comparison with Europe. The second axis is a “Horizontal” axis, which deals with the elements of diversity which cannot be explained by linear development model. This includes, for instance, a) degree of national integration or ethnic diversity, b) institutional influences of colonial powers, c) social and cultural elements such as the roles of religious organizations etc.

For having a comprehensive understanding of Asian welfare states, the experience of Japan provides an interesting example both in terms of its development patterns and the current status quo. While ageing ratio of Japan is among the highest in the industrialized countries, its social protection spending as against GDP is one of the lowest. Broadly speaking, this shows 1) a dependence on “informal social protection” such as family and company and 2) “social protection through the production sector” which can be characterized as a big spending on public works, subsidies to small-sized companies and so on. Obviously this type of policy responses, whether understood as “developmentalist” or as “Asian”, is now facing serious difficulties.

For a broader framework of system comparison, here the concept of so-called “Socialist Market Economy,” characterized in case of P. R. China, is relevant and can be compared with welfare state, socialism and capitalism. In this context, one possible interpretation is that postwar Japanese socio-economic system has many elements of quasi-socialist market economy rather than welfare state, and more generally, social protection systems in Asian countries can be understood to some extent as a “crossroad” of developmentalist state, welfare state and socialist market economy.

On the other hand, currently, tides of NGO/NPO or civil society are rising both in Japan and many other Asian countries and discussions of welfare society are becoming active in similar/different contexts from those in Europe. Here one of the most essential and interesting questions may be “Will Asian countries reach “welfare society” through different paths from those of European countries?” or in other words, “Do “post-welfare states” in European countries have some similarities with “welfare society” in Asian countries?”

Looking to the future, both the ideas of “Asian welfare network” and “Sustainable Asia” are becoming increasingly important. As for the former, rapid increases of trade and economic ties among Asian countries are leading to the necessity of both the international cooperation in the area of social

protection and the making of some kinds of social protection systems beyond nation-state level. Discussions of “East Asian Community” must include the viewpoints of “social Asia” or “Asian welfare community.”

Also a vision of “sustainable welfare society” in Asia is significant. While facing mountains of difficult agenda, aging and stabilization of population in Asia in the latter half of 21st Century can lead to a possibility of “sustainable welfare society” in Asia. Here the integrations of social policy and environmental policy, and the long-term vision and policy recommendations by researchers are important.

‘The Workfare Illusion: Why Workfare Is and Will Remain of Limited Significance in EU Member States’ Dr. Michael Dostal, D. Phil (Oxon), Senior Lecturer of EU Public Policy, Brunel University, U.K.

This article contends that EU Member States’ workfare policies since the mid-1990s do not amount to a fundamental change in policy-making with regard to unemployment. The reason for the limited potential of current workfare in the EU is due to the inherent limitations of workfare as a policy instrument: workfare policies fail to transcend the limitations of earlier versions of active labour market policy (ALMP). Furthermore, workfare suffers from specific policy-making disadvantages not shared by other ‘active’ responses to unemployment. The article first provides an overview of the academic debate on workfare. In the second part, workfare is placed in its policy-making context by identifying the functional reach of such policies in the context of other ‘active’ responses to unemployment. The third section scrutinises the contributions of three main authors to the workfare debate: Workfare advocate Laurence Mead and workfare critics Jaime Peck and Bob Jessop. The argument suggests that both advocates and critics overstate the policy-making significance of workfare. The fourth section analyses the case of workfare in the United Kingdom since 1997 to show that such policies depend on their ‘fit’ with existing path-dependent policies. This section demonstrates that workfare as a policy-making discourse and actual workfare policies differ from each other. In fact, even the British liberal welfare regime fails to offer ‘fit’ for large-scale workfare policies. The conclusion offers an alternative analytical framework for workfare policies focusing on the sliding scale between traditional wage labour and out-of work benefits.

‘How Can the World Best Respond to China’s Growing Strength?’ Dr Suzanne X. Yang, Ph.D.(Chinese Academy of Social Sciences), Assistant Director, China Programme, University of Oxford, U.K.

China's economic growth at an average rate of 9.4 per cent has been surprising the world for more than two decades. Hard-lined realists presume that a rising China will be a threat to international peace and security. They argue that if China fulfils its potential it will soon become a power in the class of 19th century Britain, early 20th century Germany and 20th century USA. The "China threat" argument took shape in the late 1990s, and has since prompted hot debates across the world about national China strategies, which can now be subsumed into three categories, i.e., *appeasement, enmeshment (or engagement), and containment*.

To determine which strategy is a better response to a rising China, it is necessary to first clarify the assumptions of the "China threat" argument. Secondly, based on such clarification, one can compare and contrast the merits and drawbacks of the strategies as proposed in the three categories. Unravelling the assumption of the "China threat" argument, one can see it is based on structural theories in International Relations which assume all states act in the international arena to maintain or maximise their security and prosperity. All states desire to control the international environment but only the strong can make it, the theory goes like this, "and it is relative capabilities that determine the variations of states behaviour" (Waltz 1979). Therefore, the argument goes, a stronger China would tend to be more assertive in international affairs and even threatening to the world, as it endeavoured to maximise its power.

I contend that the "China threat" argument, as parsimonious and deterministic as it is, can do more harm than good to international security on one hand and to China's peaceful rise on the other. I argue that the structural political forces can not uniformly determine the orientation of a state's international behaviour. The important dimension of foreign policy making which involves ideas and beliefs of political leaders has gone completely missing in the structural theories and this has caused the blindness of the misleading "China threat" argument. In other words, since ideas and attitudes of political leaders matter in a state's foreign behaviour, it is necessary to tap into the ideational field of a state's foreign decision making before forming responding strategies (Goldstein and Keohane 1992, Wendt 1999, Yang 2006). Given the fact that China has become a status quo power and has been encouraged to act as a responsible great power in many areas of international affairs (Kim 1996, Johnston 2003, Foot 2004), given that discourses such as "interdependence", "globalisation of market economy", "peaceful rise" have become dominant in both intellectual writings and public statements, given the obvious benign intentions of the political leaders and the lack of interest in establishing post-Cold War hegemony, assuming China continues to grow and to hold together politically, I argue it will continue to be benign and even more cooperative in its international relations.

In addition, when a state perceives security in the world it is less likely to act assertively or to wage war therefore a better China strategy the world can come up with is one that does not scare China. Therefore, such a China strategy is certainly not containment. Containment strategy is not attractive because it forfeits the possibilities of a constructive relationship by directly jumping into a worst- case scenario that should otherwise be avoided (Roy 1996). It runs the danger of creating a self-fulfilled prophecy and can do nothing but be counterproductive. In contrast, concessions aimed at making China feel secure will reciprocally spawn a more accommodating attitude in Beijing.

The Second Keynote Lecture:

'The Prospects for Sustainable Welfare East and West: A Potential Role for Social Quality?'

Professor Dr Alan Walker, Department of Sociological Studies, University of Sheffield, U.K.

There are three main parts to this lecture. First, it examines the differences and similarities between the 'European Social Model' and those of China and East Asia. (In both cases the difficulty of identifying a single model or welfare regime is acknowledged.) This leads, secondly, to a discussion of the nature of the present 'sustainability' discourse and, in particular, how it is dominated by a narrow economic agenda which is influenced to a great extent by international governmental organizations. This specific discourse is relatively new to the EU although the economic hegemony on which it is based is longstanding. In China and East Asia the 'productive' role of welfare has been a major feature of social policy since the introduction of formal welfare institutions but, so too, has political legitimacy. Under pressure from economic globalisation it is possible to observe certain convergences in policy between the EU and East Asia, although from very different historical starting points and subsequent paths of development. Examples include labour market activation and pensions policies. With regard to the latter, the primary focus of the sustainability discourse, it is argued that the 'risk' associated with population ageing has been over-emphasised, due partly to an excessive concentration on the supply side of the pensions equation. Finally, the lecture considers the potential role of social quality in balancing economic and social policy goals. It is argued that, unlike concepts such as quality of life and basic needs, it has the integrative potential to connect citizens and their needs with policy and policy makers. To enable this to happen requires a change in

political culture regarding social policy – away from the mainly negative associations with individual 'welfare' towards different more positive conceptions such as social well-being and social quality.

The Third Keynote Lecture:

'Social Quality: a Philosophical Analysis'

Professor Dr Jan Baars, University of Tilburg, the Netherlands

The evolving paradigm of Social Quality which has matured over the years and has been articulated now in many publications has some strong aspects and aspects that need more attention. One of the strong aspects is the model for analyzing social dynamics which have shown to be of decisive importance to realize Social Quality-targets for the European Situation. As many of these dynamics are related to processes of globalization, they may become more and more instructive for other parts in the world as well, for instance Asian societies. What deserves more attention, however, is the way conceptions of a 'good' society or a 'good' social way of life are rooted in traditional perspectives, which may change more or less rapidly but may still remain distinctively different. These traditions are of constitutive importance for the ways 'Social Quality' may be seen and they must be respected to be able to gain support and proceed effectively in improving social conditions.

<The Second Sustainable Welfare Society Symposium>

Developing Well-being in Asia and the EU: Research Comparability and Methodology - the Social Quality Approach

'Sustainable Welfare Societies and the Social Quality approach'

Dr. Laurent van der Maesen, Director, the European Foundation on Social Quality, the Netherlands

This main theme of the second day of the conference may be approached in two ways. First by exploring the subject matter of 'sustainable welfare societies' and by determining which contributions the idea of social quality may deliver to enhance such societies. Second by exploring the subject matter of social quality and the determination of the consequences for suppositions about the nature of sustainable welfare societies. The first point of departure may reduce social quality to a metaphor of the good society. The second point of departure contributes to a meta-theoretical level with which to recognise in a specific way how political-economic forces influence the reciprocity between public policies and the daily life of people in, for example, urban circumstances. On the basis of this type of analysis the theoretically based concept of social quality will deliver a specific understanding of the content and nature of sustainable welfare societies.

In the first part of the lecture an explanation will be given about the difference between both points of departure. Thanks to the second one a short comparison may be presented about the difference between the manifold of 'quality of life approaches' and the 'social quality approach'. The lack of attention of these differences cause confusion about the meaning of sustainable welfare societies and hinders the comparison of these societies in Asia and Europe. This is also the case with the application of the non-theorised concept of the 'European social model'.

In the second part the practical applicability of the elaboration of the social quality theory (according to the second point of departure) will be demonstrated in the context of new forms of local governance for addressing processes of transformations in urban circumstances. The case of the City of The Hague in The Netherlands will be placed into the spotlights. New forms of local governance, addressing the conditional factors of social quality, are important for underpinning the new sustainable welfare societies as understood in the theory of social quality.

In the third part an explanation will follow why a straightforward elaboration of the social quality theory may resolve the existing confusion in, for example Europe, about central concepts such as social inclusion, social cohesion, social justice, social empowerment, participation. The application of the methodology for eliminating this confusion is a condition for research comparability in Asia and Europe. From this theoretical perspective the case study of the City The Hague may be used for European cities and, as we suppose, for Asian cities.

The aim of this lecture is to create the basis for the development of an Asian Foundation on Social Quality in collaboration with the European Foundation on Social quality.

'Social quality in established democracies may require emotional and rational participatory space'

Mr Osama M. Rajkhan, UNESCAP, Bangkok, Thailand

Europe as a region has access to a common past and a shared vision for the future uniting the outlooks of its different members today.

In spite of setbacks and calamities, two main social features are observed to be lying at the core of European social life, which offers hopeful remedies. The first is the closer alignment between governments and the general

will of the citizenry. The second is the preoccupation of the former with the creation of a social environment that protects and promotes the quality of life of the latter.

The quality of life in Europe evolved remarkably over the last 50 years favourably setting it apart from other regions in the world, among other things, thanks to robust welfare state expenditures, which are currently being challenged in part due to the socio-demographic transition and associated health and morbidity changes.

This paper will use multiple concepts to argue that to evolve the quality of social life in Europe, or other regions where social spending makes up a sizable portion of GDP, the promotion of social quality, in its broadest sense, may require a qualitative leap from the current welfare state to a welfare society defined by responsible and motivated individuals participating to find more possibilities for meaning and satisfaction over the span of their lives with the support of rich and dynamic social environments.

This is because modern materialism has, as mass religion to some extent, worked so as to release the individual of the need to assume responsibility for the quality of their life and to check this condition, the space for emotional and rational participation must be opened wider on the way to a new understanding that abandons cherished notions about human behaviour.

‘Social Protection in the context of rapid ageing: A major Asian challenge for establishing Sustainable Welfare States’

Dr. D. Wesumperuma, Ph.D. (London), Regional Director for Asia and the Pacific, HelpAge International

Asia is ageing rapidly amidst widespread poverty. In Europe and North America, where societies aged in an economically developed context, the period of time taken to double the proportions of older people in the total population (from 7% to 14%) was between 45 to 135 years. The proportions of older people in Asian countries are expected to double in less time. Estimates for Japan, Thailand and Singapore are 30, 28 and 22 years respectively. Sri Lanka is projected to take slightly less than 20 years to double its older population currently the fastest rate of ageing in the history of the world.

The vast majority of older people in Asia live in poverty, and their poverty and social exclusion are exacerbated - by the ageing process. Old age poverty is adversely impacting on both the old and the young. Traditional family structures are changing and the conventional forms of support are compromised by economic circumstances. The challenges are many for older people, their families and communities as well as governments. Research and policy debate on the socio-economic and political implications and responses are very limited largely due to lack of awareness, lack of importance attached to these issues and the virtual invisibility of the unprecedented demographic change.

A small number of researchers and a network of Asian NGOs affiliated to HelpAge International, are advocating for in-depth understanding of the issues of ageing and promotion of feasible public policy responses, more specifically the promotion of appropriate forms of social protection (social pensions, equitable access to health care and domiciliary care, and basic amenities) and material security for the poor and vulnerable older people, who form the large majority of older Asians, and their families.

In particular, the value to the poor of regular transfers in cash or in kind in mitigating their poverty has been widely discussed, and the progress of a small number of pilot schemes in countries such as India, Bangladesh, Nepal, Thailand and Malaysia has been followed with interest. The largely urban based minimum living social security system in China is also being studied. There has been increasing acknowledgement of the potential for cash transfers in the form of “social” (i.e. non-contributory) pensions to assist the older poor. The role of NGOs in assisting the development of these programmes has been demonstrated in both Bangladesh and India.

There is a need to focus on the policies and programmes that exist in Asia to promote Social Protection of poor and vulnerable older people who are not covered by formal contributory pension schemes with a view to (a) assess their efficacy and coverage, (b) study the challenges in the face of rapid ageing, (c) availability of data and research; (c) policy and programme options and (d) identify gaps and come up with feasible and affordable priority areas for action including dissemination of the project outcomes and advocacy potential.

More broadly there is also a need to understand the welfare dynamics and effects from population ageing in Asian countries, and to capture the issues in Asian ageing societies in the context of 'Asian Challenges for Establishing Sustainable Welfare States'.

‘Are we all Confucianists? Similarities and differences between European and East-Asian policies for care of the frail older people’

Dr. Bernard H Casey, Ph.D. (London), Pensions Institute, Cass Business School, UK

In Europe, frequent reference is made to the importance of the family in East Asia. Members of what are often described as extended families are seen to provide one another with financial support in the case of old age and

unemployment and this is taken to explain the absence of pension and unemployment benefit schemes. They are also providers of physical and emotional support for one another. A critical component of the contribution made by the family is the way in which it provides much of the care that is given to the frail elderly. Almost all of such care is provided informally. The role of the state is limited in the extreme. Commentators frequently point to the moral obligation that adult children have to look after their parents and attribute this to a “Confucianist” culture.

Whilst the incidence of formal long-term care provision is higher in many European countries, the differences between Europe and East Asia are not as great as might be thought. First, informal care is assumed to provide the major share of care. Second, the sense of responsibility of the family is strong in many parts of Europe, particularly those where values associated with the Roman Catholic religion are seen as important in shaping the way people behave. The requirement to honour one’s parents, however, is part of a wider Judeo-Christian tradition that can be found, *inter alia*, amongst the “10 Commandments”.

However, there are further similarities, and similarities that are less frequently commented upon. First, responsibilities towards parents (and other family members) are often codified in law. This is as much the case in the Confucianist societies of East Asia as in the “Catholic” countries of Europe. It is also the case in some “Protestant” countries and even in some avowedly atheist countries. Whether such laws merely reflect morality, or whether they seek to impose morality, is a separate matter. Second, the relevant laws often form the basis for the state to ensure that adult children abide by their requirements. Social assistance laws allow the state to make claims upon the children to meet costs of benefits – in cash and in kind – that might be granted. Laws like this are to be found both in East Asia and in Europe.

There are some exceptions. The Nordic countries, which are largely “Protestant” and which operate “universalist” benefit systems, do not impose the same responsibilities on their citizens. Nor do the Anglo-Saxon countries. The latter, however, do operate means-tested benefit systems. In these countries, the state does not directly make charges upon the adult children. It does, however, oblige recipients of cash and in-kind (social care) benefits to run down their assets. This reduces the inheritance that adult children can expect. In the United States, which is in some ways an extreme case, the state can even pursue inheritors and those who have in the past received gifts from people who have had to make use of publicly financed care provision.

In addition to supposed differences, common tendencies can be observed across all countries. Modernisation, industrialisation, increased female labour force participation and greater geographical dispersion all limit the ability of the family to provide the care services expected of them. Some countries, both in Europe and in East Asia, have sought to deal with this by “socialising” the provision of care – including through the establishment of mandatory long-term care insurance schemes. However, even such schemes seek to complement rather than replace traditional provision. Moreover, in European countries, attempts to control the growth of costs in the face of societal ageing have led them to re-emphasise the role of the family and the importance of the informal carer, whilst in East Asian countries, fears about the public expenditure consequences tend to limit willingness to reform.

Many commentators have talked of the challenge demographic change has presented to pension systems. Far fewer have talked about the challenge it presents to care systems. In Europe, there have been explicit and implicit attempts to learn solutions from East Asia; in East Asia, there have been similar attempts to learn from Europe. Since the differences in approach are not so great, and the problems faced are common, there are limits to what can be learnt. Certainly, how the learning is to be done, and what needs to be learnt, will have to be rethought.

Globalisation and Ageing in India: Urgent Need For Radical Policy Reforms

Dr. Arvind K. Joshi, Banaras Hindu University, India

India is undergoing the process of drastic demographic transition. It poses daunting challenges to the government on the social policy front. In India, the population of the aged, i.e., those of the age group of 60 years and above, is on the increase. If, on the one hand, the population of the aged has increased over the successive decades, on the other hand, the traditional family/community based support system for the aged has not just weakened but started showing signs of complete collapse.

The more sweeping influence of globalization however, is on the ideological plane. It promotes consumerism and at the individual level it imposes the primacy of meeting the ever increasing consumption needs, over discharging the family obligations. Poverty, unemployment, under employment and inflation have rendered the working age family members unable to discharge their duties to the aged. Further, the absence of social security, particularly public pensions has seriously affected the situation of the senior citizens in society.

Objectives:

The purposes of this paper are:

- (a) to portray the demography of ageing and various dimensions of elderly life in India.
- (b) to review the institutional measures and welfare benefits available to the aged.
- (c) to review the challenge before Indian ageing society created by the rise of globalization.

The Constitution of India (Article 41) recognizes that elderly people need special assistance. Yet 30 percent of the older persons live below the poverty line and another 33 percent just marginally over it (HelpAge India). 73 percent of elderly are illiterate and can only be engaged in physical labour. 55 percent of women over 60 are widows, many of them with no support whatsoever. Medical insurance and health care reforms are at a preliminary stage and whatever facilities exist, those are located in the urban areas. As low as 0.8 percent of the country's GDP is invested in the health sector as compared to 6.1 percent by developed countries. Majority of the older persons in the rural areas (80 percent of the elderly persons live in the rural areas) are deprived from basic health care facilities. The various formal retirement savings schemes cover no more than about 11 percent of the labour force (Heller, 2004). In other words, 90 percent of the older persons are from the unorganized sector, with no social security cover. It is obvious that the majority of the older persons lacks the basic economic security and immediately land in destitution after they lose their earning capacity. Several institutional measures and welfare benefits are there, but these appear far too insignificant in the face of huge magnitude of the problem.

‘Common Property Resources and the Changing Structure of Village Society in India’

Professor Haruka Yanagisawa, Ph.D. (Tokyo), Faculty of Law and Economics, Chiba University

The last several decades witnessed a serious decline in local common property resources (CPR) in rural India, such as village common lands, common forests and local irrigation system. However, the extent of decline differs by the type of CPR control by local communities. Recent studies present some cases which seem to indicate that deterioration in CPR is remarkable in an area where village social structure has been polarized with a highly concentrated pattern of landownership and the CPR has been under the control of elite villagers (i.e., elite-dominant type of resource-controlling system). In contrast, where village society has not been much differentiated but has been composed mainly of small landholding farmers without a large group of landless population, the use of natural resources have been well regulated by rules and norms commonly approved by the villagers (i.e., egalitarian type of resource-controlling system). A recent survey in South India reveals that cooperative behaviour in an irrigation community is significantly related negatively to inequality of landholding.

My historical study on village common lands in south India corroborates this observation. Mainly based on historical documents for Tamilnadu, south India, this paper argues that influential villagers controlled village common land and that this elite-dominant system of controlling natural resources declined in accordance with the gradual emancipation of the subordinate section of villagers. The acquisition of small bits of cultivated land and the encroachment on village common lands by the landless not only mirrored their empowerment and strengthened their bargaining position but also implies, under some circumstances, the creation of possible pre-conditions for an egalitarian type of resource-controlling system.

‘Work, Risk and its Management in Asia –A Preliminary Observation’

Dr. Raymond K H Chan, Ph.D. (Essex), Department of Applied Social Studies, City University of Hong Kong, Hong Kong SAR, P.R.China

There are some commonly accepted features of the so-called Asian Welfare Model, including the values governing intra-familial redistribution, the primary position of work to supply resources for redistribution and protection of oneself. The later is increasingly important, as there are more and more waged earners and gradual decline of family in different Asian societies.

Asian financial crisis has once brought to severe blow to the labor market. Though the crisis has officially gone, latest unemployment rates in some economies are still higher than the pre-crisis level. This scenario can be explained by the subsequent economic and labor market reforms adopted to meet the challenges resulted from the crisis and increasing competition in the globalised market. Global competition requires greater flexibility, and by implication, greater risk. Network production systems and flexible labour market policies have developed. Labour is increasingly viewed as a commodity that is easy to replace.

In these circumstances, an individual's dependency on market income is the primary catalyst of risk factor. Survival itself is at the mercy of conditions over which individuals have little say; markets cannot guarantee an income, or even a job. Workers are now facing increasing uncertainty and interruptions in employment, and some also facing ever-decreasing wages, and poorer term of employment, especially for marginalized labour. While those with lower incomes are particularly affected, the middle and professional classes are not entirely exempt from these challenges.

A series of reforms have been implemented in different Asian countries. ‘Flexibility’ is the slogan, and ‘security’ of the workers can, at best, be provided (and certainly guaranteed) through enhanced commodity value. The governments also strengthen their social safety net – providing basic social protection to the poor; reforming social security system - workfare to replace welfare; and implement Active Labour Market Policies – promoting flexibility, improving labor training, retraining and employment services.

The major role of the state, while protecting the least advantaged (the deserved), is to turn itself to be a competitive state, and to adopt a productive orientation. While such policies have their merits, it also has its limitations: over-estimating the merits of the market, under-estimating the difficulties of the marginal groups in participating in work, and the weaknesses of the reforms.

This presentation will offer an overview and analysis of the changing labor trends, problems and the reforms adopted in selected countries in Asia. While work is increasingly important in the Asian Welfare Model, problems in participating in work and finding a decent work are important for one to survive in the Asian Welfare Model.

4th Keynote Lecture:

‘Social Policy and International Cooperation in Asia and the Pacific: A Concluding Remark on the Chiba University COE Conference 27th and 28th March 2006’

Professor Hou-sheng Chan, Director, Social Security Division, National Policy Foundation
And National Taiwan University, Taiwan

In recent years, the most popular concept in academic field, as well as in the circle of business and NGOs, has undoubtedly been “globalization”. In the meantime, the formation of the WTO, World Trade Organization, has well been implementing the process of globalization, in particular in international trade. With its enlarging members, the WTO has become the most powerful mechanism in pursuing “trade without barrier”. Other global economic organizations, such as OECD, G8, etc. have been acting in similar fashion to facilitate trade in goods and commodities across national boundary. In parallel with this mega-trend of globalization, the rise of regional economic integration has, since the 1990s, accelerated its pace to form the FTA, Free Trade Area, or other forms of FTA. Regional economic integration has taken the forms of EU (European Union), NAFTA (Northern American Free Trade Area including Canada, America and Mexico), and the imminent ASEAN + 1 (ASEAN + China) or ASEAN + 3 (ASEAN + China, Japan and Korea). With their permeating and seeming invincible power crossing countries and regions, economic policies both in developed and developing countries have moved their strategies from more state intervention to less intervention in production, distribution, and redistribution. In other words, the welfare state has gradually been transformed into the one of social investment state. Thus, state-owned enterprises have been replaced by private ones in the forms of BOT, OT, etc. These trends of globalization and regional economic integration have resulted in rapid economic growth with income distribution. Based on statistics in recent years, both of EU and NAFTA have shown substantial economic growth. But some will argue that their economic growth is achieved at the low cost of raw materials from developing or underdeveloped nations. Other arguments are that globalization and regional economic integration has widening the disparity between rich nations and poor ones, and between the high income group and low income groups. In other words, while the state focuses its policy on economic growth with the strategies of globalization and regional economic integration, the state also faces new challenges of unequal opportunity in sharing economic success between different regions, social status, educational backgrounds, and even different sex. Thus, social policy should have played more active role in this general trend of globalization and regional economic integration.

Furthermore, Asian states face a new challenge as a result of rapid demographic change. These societies of Japan, Korea, China, Hong Kong and Taiwan have been in fast ageing process. The proportion of the population aged 65 and over to the total population has been exceeding 9 percent in Korea, Taiwan and Hong Kong. It has been exceeding 14 percent in Japan since the late-1990s. The primary concern of social policy will be how to care, accommodate, heal, and feed these elderly population now and in the future.

Thus, my concluding remarks will draw our attention on these impacts and problems emerged in the process of globalization and regional economic integration. Social policies should be in close collaboration with economic policy in pursuing economic growth with income distribution and redistribution. Asian and Pacific societies can then establish a platform to pursue these goals.

‘East Asian Welfare System: a New Perspective on Critical Issues’

Professor Akira Suehiro, Ph.D. (Tokyo), Institute of Social Science, The University of Tokyo

As entering the latter half of 1990s, the governments of East Asian countries had simultaneously shifted their attention from economic development to social security. Behind impressive changes in government policies, we can find three major elements: increasing public concerns over the quality of life (QOL) in the process of Cold War ending as well as the development of local democratization movement; the urgent need for the government to build the nation-wide social safety nets in order to help the people who were hit hard by the financial crisis in 1997; and the serious demand for the government to tackle new problems of coming ‘ageing society.’

These three elements combined all together to force the governments of East Asia to launch on notable reforms in social security system such as the introduction of national pension scheme and nation-wide health care system. At the same time, these movements have also caused policy-related debates on desirable welfare regime among

the political parties, NGOs and academicians, as we see ‘productive welfare state’ debate in South Korea, ‘nation-wide healthcare scheme’ debate in Taiwan, and ‘people’s basic right’ debate in Thailand in the past decade.

More interestingly, these movements also gave academic circles outside East Asia with strong incentives in clarifying peculiar characteristics of Asian NIEs welfare system in comparison to the Western experience, and developing the argument on new paradigm on East Asian welfare model beyond the Western one. For instance, Holliday categorized the East Asian welfare system as a ‘productivist welfare system’ in association with the developmentalist state regime, while Jones called an ‘Oikonomic welfare regime’ in reference to the Confucian cultural background. Regardless of the extent of their emphasis on the nature of state and culture, these arguments seem to share common understanding on the ‘East Asian welfare model’ in two distinguished aspects of devoted family supports and company benefits system in large-sized firms.

According to such implementation, this paper primarily aims to explore the background of government social policies in recent time, and to examine a variety of arguments on the East Asian welfare models. After tracing and criticizing these arguments, the paper points out three movements taking place in the field of social security, including institutionalization, socialization, and commercialization. More specifically, we examine the increasing role of the government to design the national welfare regime under the pressure of social change (institutionalization), diversification of agents in social security to non-public sector such as family, community and NPO/NGO due to the limitation of budget resources (socialization), and the emerging role of private sector such as provident funds and life insurance companies to supplement limited services undertaken by the government as well as voluntary organizations.

The paper also attempts to introduce new major movements of regulating the direction of East Asian welfare regime in near future. These movements include: the serious impact by the so-called ‘compressed population transition’ or the negative effect of rapidly increasing aged population and decreasing economically active population upon economic growth; urgent needs to cope with the new type of ‘health transition’, or the request of handling synchronization of three different types of diseases (new type of infectious diseases like HIV/AIDS, lifestyle diseases such as cancers and heart diseases, and geriatric illnesses); and the decreasing role of the occupational welfare or company benefits in social security due to the enhanced global competition in reducing production cost.

Finally, the paper points out the necessity of careful empirical study on the current situations facing the East Asian countries in the aspects of population structure, health transition, and company benefits in order to forecast a more realistic paradigm on a desirable welfare regime.

Contact: Research Centre on Public Affairs (ReCPA),
Chiba University
Yayoi-cho1-33, Inage-ku, Chiba 263-8522, Japan
recpa@restaff.chiba-u.jp Fax:+81(0)43-290-2337
<http://www.shd.chiba-u.ac.jp/~coe21/index.htm>

The five Pillars of the European Foundation on Social Quality and Chiba University ReCPA

