

Construction of Cost-Sharing Mechanism of New Generation Migrant Workers' Citizenization in Chongqing of China

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Abstract

Migrant workers' citizenization is an important task in balancing urban and rural development, and promoting the process of citizenization. And the reasonable construction of the cost-sharing mechanism is the key to promote the citizenization orderly. Under the restriction of fairness and efficiency, this paper designs a multi-cost-sharing mechanism of the society, governments, enterprises and migrant workers. This paper also establishes promoting system including comprehensive coordination mechanism, dynamic adjustment mechanism, supervise and evaluate mechanism. This paper provides basic safeguard and dynamic support for promoting the effective operation of cost-sharing mechanism and for gradually solving the current dilemma of the migrant workers' citizenization.

Key words: New generation migrant workers; Cost of citizenization; Cost-sharing mechanism

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INTRODUCTION

Migrant workers' citizenization is an important task in balancing urban and rural development, and promoting the process of citizenization. However, the process of migrant workers' citizenization is slow and difficult at present. In terms of economic income, migrant workers have been treated unfairly for a long time like receiving lower salaries for doing the same work as the urban workers; In terms of material and cultural life, migrant workers live a single and lower-quality life; In terms of social security and social welfare, migrant workers are excluded from the city's safety net of social security and social welfare; In terms of sense of belonging to city, migrant workers are neither friendly nor aloof attachment to urban and rural areas. In general, migrant workers remain a frequent flow group and do not really integrate into the city.

Cost of citizenization is the main problem faced by new generation migrant workers. And the reasonable construction of cost-sharing mechanism is the key to cost of citizenization. This paper focuses on the key, difficulty and weakness of migrant workers' citizenization, designs the cost-sharing mechanism under the restriction of fairness and efficiency, so as to provide the basic safeguard and dynamic support for the effective transformation of migrant workers, and also to lay a good foundation for the process of citizenization.

1. CONSTRUCTION OF THE COSTS SHARING MECHANISM IN CITIZENIZATION

Based on the analysis of the cost of citizenization, we have designed the overall framework of the cost-sharing mechanism in the process of new generation migrant workers' citizenization, which is as follows:

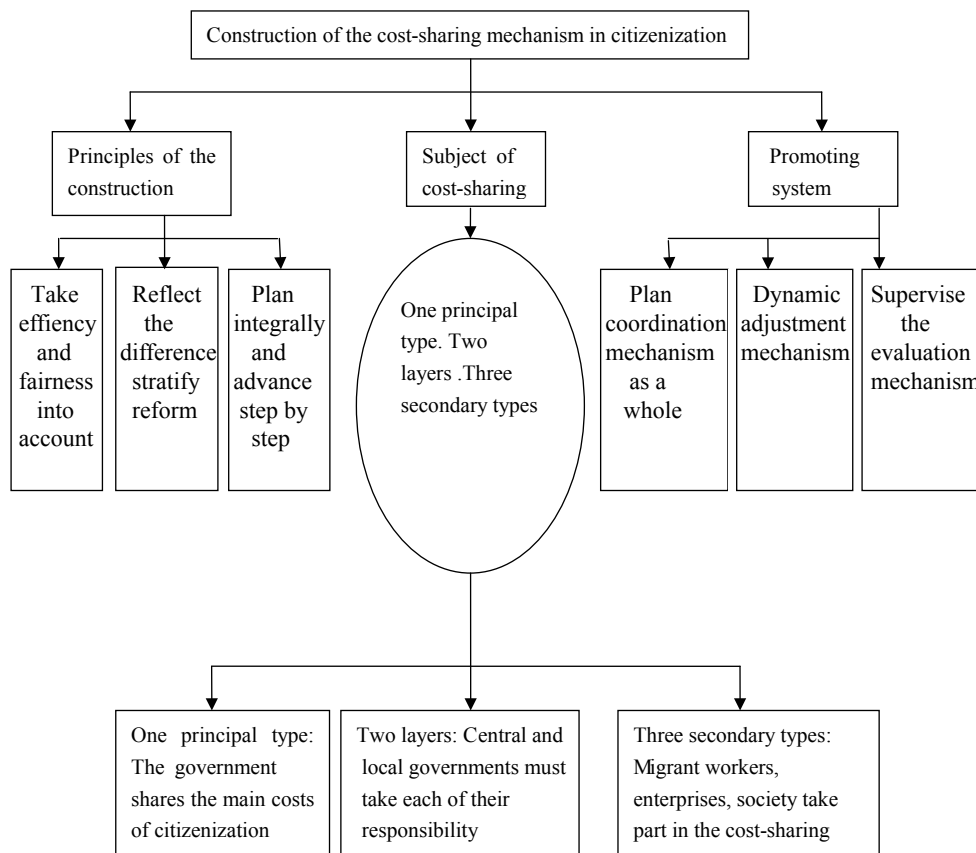


Figure 1
Construction of the Costs Sharing Mechanism in Citizenization

2. PRINCIPLES OF THE CONSTRUCTION OF COST-SHARING MECHANISM

First, take the efficiency and fairness into account. In the sense of sociology, fairness refers to the equal rights and treatments that the social members can enjoy. Friedman divided fairness into three levels in his book “free to choose”. The first level is that everyone has equal rights in front of God and law; the second level refers to equal opportunities. Social members pursue the goal of self-realization by virtue of their ability, and should not be subject to autocratic obstacles; the third level refers to the equality of income, the narrowing of the income gap between social members is conducive to realize income fairness. In the concept of economics, efficiency refers to the efficient use and rational allocation of resources. Efficiency represents the ratio between output and input, or the ratio between income and cost. The greater the ratio is, the higher efficiency is, whereas the lower the efficiency is. That’s to say, to increase the efficiency, we must reduce the cost or investment, and improve the income or output. In the development of economy and society, efficiency and fairness depend on each other, and promote each other. Fairness can promote the improvement of efficiency, and unfairness can result in low efficiency. On policy and institutional level,

the fairness of policy and institution can promote the improvement of efficiency, and on the other hand, the unfairness of policy and institution leads to low efficiency. In the economic and social activities, fairness and efficiency form a relationship of unity and opposites.

In the process of new generation migrant workers’ citizenization, fairness and efficiency mean that we should give full consideration to the interest of every area and group, respect and safeguard the legitimate rights and interests of new generation migrant workers, and guarantee their basic rights of survival and development, so that the new generation migrant workers can no longer be subject to the restriction of the household registration system, and enjoy the equal social rights, social benefits and opportunities for development. Meanwhile we should not injure the social rights and social benefits of citizens. Enterprises while safeguarding the legitimate rights and interests of new generation migrant workers must improve their own economic benefits and achieve sustainable development. Government should strengthen social security for new generation migrant workers, expand relevant public services to improve the inequality of income distribution under dual economic system, safeguard the rights and interests of new generation migrant workers and promote social justice. In addition, the improvements of efficiency in the process of

citizenization need the safeguard of social justice and control of expenditures from government, enterprise.

The construction of cost sharing mechanism must take efficiency and fairness into account. We should not only know that the construction and improvement of sharing mechanism are a long and complicated system engineering, but also promote the construction of sharing mechanism actively, reasonably and orderly from the perspective of urban and rural development. We should not only strengthen the protection of migrant workers' legitimate rights and interests, but also insist on the principle of rights and obligations and guide the orderly transfer of migrant workers. We should not only make great efforts to meet the actual demand of migrant workers, but also consider the current bearing capacity of the society. We should not only make full use of governments in the construction of cost sharing mechanism, but also give full play to the role of enterprises, individuals and society.

Second, reflect the difference, and stratify reform. The complexity, hierarchy, and differences of new generation migrant workers' citizenization are prominent. The migrant workers group contains the old generation migrant workers and the new generation migrant workers. The two groups present obvious generational differences in growth background, work ethic, culture degree, service sector, and self-value expectations. Migrant workers group also contains groups of leaving the lands and homes, leaving the lands without leaving homes, and the suburban landless migrant workers. The process of citizenization includes three stages, which are exits from the rural areas, entrance into city and integration into city. The region of citizenization contains a different area of large, medium, small city and town, which have significant differences in the general strength of the economic and social development.

To solve the issue of different groups, different

characteristics, different stages, different types, different areas of the citizenization, the cost sharing mechanism should be based on different development foundation, different ability level, different economic costs, should be based on reality, should reflect the difference, take measures to reform the system and adjust the policy in stratification, and establish corresponding cost sharing mechanism for the citizenization of migrant workers.

Third, plan integrally and advance step by step. The citizenization of migrant workers is long and complicated system engineering. Because it not only comes to huge costs from public services, social welfare, and compensation for debts, but also contains multi-faceted sources of governments at all levels, migrant workers, relevant enterprises, and the society, etc, and also comes to multi-sectors and multi-industry like education, health, social security, house building. Especially at the period of prominent contradictions between the system transition and the economic transformation, and under the circumstances of lack for overall carrying capacity of social and urban development, the construction of cost sharing mechanism need follow the combination of overall plan and coordination, and follow the combination of key breakthroughs and gradual reforms. It needs to be actively and steadily advanced by types, by steps, and by stratification. We should first pilot, and then advance step by step to ensure the scientific nature and feasibility of the cost sharing mechanism construction of migrant workers' citizenization.

3. SUBJECT OF COST-SHARING

The costs of the new generation migrant workers' citizenization mainly contain costs of living, housing costs, opportunity costs, social security costs, education and training costs, infrastructure construction, education and training costs,

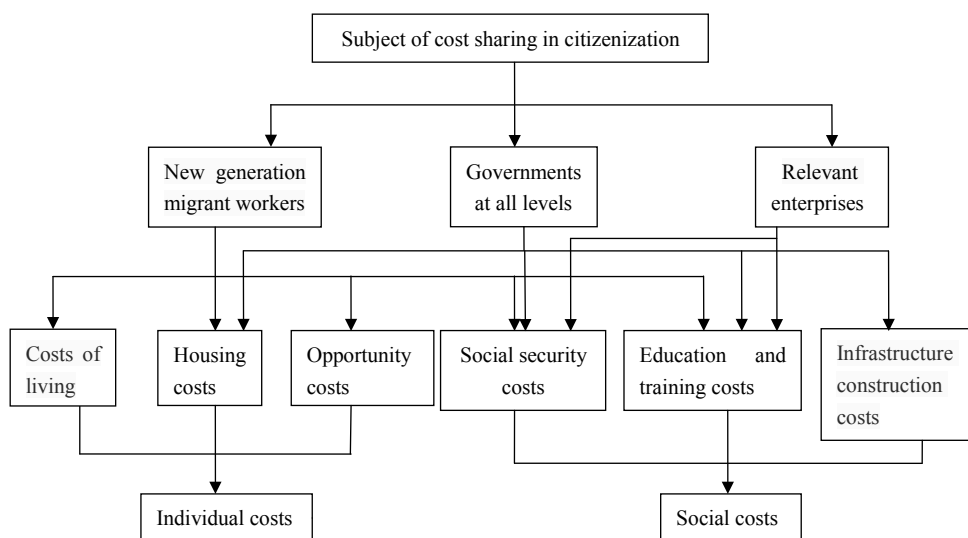


Figure 2
Subject of Cost-Sharing in Citizenization

etc.. First of all, from the perspective of the classification of social products, social security, education and training, infrastructure, housing belongs to quasi-public goods, because they have large externality in consumption. And the provision of social products or quasi-public goods is the main function of the government, so the government is supposed to share the social security costs, the education and training costs, and the costs of infrastructure construction in citizenization. Life consumption belongs to private goods, so the new generation migrant workers should share the costs themselves. Secondly, from the perspective of historical development, the citizenization of new generation migrant workers is the result of long-standing division of the dual economic system in urban and rural areas of our country, and is the unique social and economic phenomenon dominated by the government of our country. Dual economic system caused the increasingly widening gap between economic development of rural and urban areas, resulted in the far backward of rural development and farmers' income level. However, for a long time, the rural areas and farmers have made great contributions to China's economic development. From this point of view, the citizenization is not only a personal problem of the new generation migrant workers, but also is mainly dominated by the government. Therefore, the costs of citizenization also require the government to share. Again, from the perspective of efficiency, if the enterprises where the new generation migrant workers are in want to improve their competitiveness, and achieve long-term rapid development, they must guarantee the basic rights of the new generation of migrant workers, improve their professional skills, to share the citizenization of the new generation migrant workers social security and education and training costs. Finally essentially speaking, in the process of citizenization, the new generation migrant workers can change the identity of peasants, flow upward from the bottom of the society, and enjoy the achievement of social and economic development. As the biggest beneficiaries of citizenization, the new generation migrant workers should pay certain economic price, share certain costs. But in general, the income of new generation migrant workers is low, they can not afford the costs of citizenization and complete the citizenization on their own. Similarly, it is neither reasonable nor realistic to share the costs of citizenization completely by the government or enterprises. The costs of citizenization need to be shared by government, enterprises, new generation migrant workers and other social welfare organizations. There should be established reasonable and effective cost-sharing mechanism between central and local government, enterprises, new generation migrant workers and other social welfare organizations. We focusing on fairness and efficiency, rights and obligations, construct diversified cost-sharing subjects.

3.1 “One Principal Type”: The Government Shares the Main Costs of Citizenization

Migrant workers are a special product of China's unique urban-rural dual economic system. At present China's realistic difficulties of citizenization are relevant to the long-standing unbalance of economic and social development, and the great gap of economic development between urban and rural areas. Meanwhile, due to the large scale of China's new generation migrant workers, the costs of citizenization are larger. The new generation migrant workers and enterprises can not afford such high costs, so the government should share the main costs of citizenization. In addition, providing public products and services, satisfying the needs of the public are the purpose of the governmental public expenditures, so the government is supposed to share the infrastructure construction costs, social security costs, education and training costs caused by the citizenization of new generation migrant workers.

3.2 “Two layers”: Central and Local Governments Must Take Each of Their Responsibility

In the share of social costs, central and local governments should take each of their responsibility, establish reasonable and effective cost-sharing mechanism. The central government should guide and support the cost-sharing of new generation migrant workers' citizenization, local government should highlight its role in the subject of cost-sharing. Central government should mainly through special transfer payments, increase fiscal expenditure to the places where new generation migrant workers mainly inflow, promote and supervise the local governments' construction in infrastructure, social security system, etc. Local government mainly by means of fiscal supporting to share the costs of citizenization, should focus on the share of infrastructure construction costs, social security costs, education and training costs, strive to make the new generation migrant workers enjoy comfortable living environment and equalization of social services.

3.3 “Three Secondary Types”: Migrant Workers, Enterprises, Society Take Part in the Cost-Share Together

Essentially speaking, in the process of citizenization, the new generation migrant workers can change the identity of peasants, flow upward from the bottom of the society, enjoy the achievement of social and economic development, and improve their living standards and social status. As the biggest beneficiaries of citizenization, and to reduce the cost pressure of government and enterprises in the process of citizenization, promote the continuous development of the citizenization, the new generation migrant workers should pay certain economic price, share certain costs. The new generation migrant workers need to share the costs of living, housing costs, opportunity costs, and certain social security costs. As

the main participants and beneficiaries of citizenization, although the income level of new generation migrant workers is relatively low, they should afford the living costs of their own and their families, afford certain social security costs such as pension insurance, medical insurance, unemployment insurance etc., within their capacity. In addition, the new generation migrant workers must also afford the opportunity costs of giving up the income of agricultural production.

The enterprises where the migrant workers are in should not only obtain the labor value and economic benefits of migrant workers, but also are responsible and liable to share the costs of citizenization. Many enterprises often ignore the legitimate rights and interests of new generation migrant workers. These enterprises are often short-sighted, only care for the immediate benefits. But in fact, the competition between enterprises is the contests of talent and technology in more sense. If the enterprises only pursue the immediate and short-term benefits, ignore the protection of rights and vocational training, their potential for development must be limited. Judging from the perspective of long-term development, if the enterprises where the migrant workers are in want to enhance their competitiveness and achieve long-term rapid development, they must protect the basic rights of new generation migrant workers, improve their vocational skills, accordingly share the social security costs and education and training costs of citizenization. Meanwhile, according to relevant provisions of the National Labor Law and the Social Insurance Law, the enterprises or employers shall handle the social insurance, such as pension insurance, basic medical insurance, unemployment insurance, industrial injury insurance and maternity insurance within thirty days from the date of employment. Therefore, enterprises and employers should handle social insurance for the new generation migrant workers according to law, protect the legitimate rights and interests of the new generation migrant workers, and share certain social security costs caused by the citizenization.

In addition, with the economic development and social progress, in the construction of cost-sharing subject, we should actively guide the social charity and welfare institutions to play an active role in promoting the process of citizenization, and guide the social charity and welfare institutions as a beneficial supplement and support to provide human and financial supports mainly in the protection of legal rights and social assistance, and to participate in the share of costs of citizenization.

4. PROMOTING SYSTEM

Firstly, plan coordination mechanism as a whole. The construction and effective operation of cost-sharing mechanism not only need to clear responsibility and determine the cost-sharing subjects, but also need to

establish comprehensive coordination mechanism. When it comes to multi-agent and multi-department beneficial games of central government, local government, migrant workers, relative enterprises and society subject, it needs to play roles in seeing the big picture, planning coordination mechanism as a whole, and balancing interests. By optimization of systems and mechanisms and formulating relevant policies and so on, we can promote the optimal allocation of resources, the reasonable share of costs, and accelerate the process of citizenization.

Secondly, dynamic adjustment mechanism. The construction and perfection of cost-sharing mechanism are a long and gradual process. It is also a process of dynamic adjustments and balance of sharing ratio. With the constant development of citizenization and of urbanization, the establishment of dynamic adjustment mechanism has taken the changes of the government's comprehensive strength, the enterprises' social responsibility bearing capacity, and the migrant workers' citizenization into consideration. The dynamic adjustment of cost-sharing mechanism is an inevitable requirement to keep scientific, sustainability, and fairness.

Thirdly, supervise the evaluation mechanism. Through the establishment of supervision and evaluation mechanism, we can supervise, inspect, and evaluate the huge investments, the situation of funds and use. We can also do surveys to track the implementation and satisfaction of citizenization to ensure that governments at all levels, all departments, and all the participants do their best to guarantee the effective operation of cost-sharing mechanism, and avoid the occur of buck-passing, disconnection of joint, or the violation of law and discipline.

CONCLUSION AND SIGNIFICANCE

Through the above research, this paper draws the following conclusions:

Firstly, the construction of cost-sharing mechanism must take efficiency and fairness into account, must base on reality, reflect difference, reform the system and adjust the policy in stratification, and must follow the combination of overall plan and coordination, and the combination of key breakthroughs and gradual reforms. It needs to be advanced by types, by steps, and by stratification to ensure the scientific nature and feasibility of the cost-sharing mechanism.

Secondly, this paper divides the cost of citizenization into costs of living, housing costs, opportunity costs, social security costs, costs of infrastructure construction, education and training costs. The subjects of cost-sharing include new generation migrant workers, governments at all levels, and relevant enterprises. This paper also constructs a multi-subject of cost-sharing according to the attribute of social products.

Thirdly, establish comprehensive coordination mechanism, dynamic adjustment mechanism, supervise and evaluate mechanism to promote the effective operation of cost-sharing mechanism, and accelerate the process of urbanization.

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