

Research on China's Elderly Care Policies since the Reform and Opening up

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Abstract: *The issue of elderly care has always been a significant challenge faced by Chinese society. With continuous economic development and the accelerated aging of the population, the elderly care problem has become increasingly prominent. Elderly care policies are regulatory measures formulated by the government to safeguard the rights and interests of the elderly population in actively addressing the process of population aging. They play a crucial guiding role in improving elderly care services and implementing elderly care practices. This study takes the perspective of policy implementation to analyze in detail the historical development, current status, and future direction of China's elderly care policies since the Reform and Opening Up. Its aim is to provide valuable insights for addressing the elderly's care predicaments.*

Keywords: *Reform and Opening Up; elderly care; policies; research*

1. Introduction

In the past few decades, China has undergone significant political, social, and economic transformations, which have had profound implications for its elderly care policies. Since the initiation of the Reform and Opening Up, China has been confronted with an increasingly severe issue of population aging. By the end of 2020, the population of individuals aged 60 and above had reached 249 million, accounting for 17.9% of the total population. It is projected that by 2050, the elderly population will reach 400 million, constituting approximately one-third of the total population. This indicates that China will face the challenge of providing care for a growing number of elderly individuals in the future, making the safeguarding of their elderly care and well-being a crucial and pressing task^[1]. However, due to the underdeveloped social security support system in China and the characteristic of "aging before prosperity," the issue of elderly care in China has become exceptionally severe. In this context, the Chinese government has successively introduced a series of relevant policies. For example, in 1991, the State Council issued the "Decision on the Reform of the Enterprise Employee Pension Insurance System." In 2001, the Ministry of Labor and Social Security issued the "Notice on Accelerating the Socialized Distribution of Pension Benefits." In 2008, ten departments, including the National Aging Commission Office and the Ministry of Civil Affairs, jointly issued the "Opinions on Promoting Comprehensive Home-based Elderly Care Services." In 2013, the State Council issued the "Several Opinions on Accelerating the Development of the Elderly Care Service Industry." In 2017, the State Council issued the "13th Five-Year Plan for the Development of the National Aging Industry and the Construction of the Pension System," which encouraged the development of multi-level elderly care services. The issuance of these policy documents repeatedly demonstrates the central government's attention and emphasis on the issue of elderly care and provides guidance for the reform and development of China's elderly care industry. However, China's elderly care policies still face challenges and difficulties that require further reforms and improvements [1].

2. The issue of elderly care has become a significant social problem

First and foremost, the importance of the issue of elderly care is reflected in its wide-ranging implications. It directly or indirectly affects not only the elderly themselves but also individuals in their middle age and youth. The elderly require care and protection, middle-aged individuals need to contemplate their own retirement issues and how to support their parents, while young people must consider their own future retirement and make adequate preparations for their old age. Therefore, addressing the issue of elderly care is not only about the well-being of older individuals but also

encompasses the overall development of society.

Secondly, the issue of elderly care involves a shift in the caregiving model. The traditional family-based caregiving model, due to factors such as poor economic conditions and changing social norms, has gradually transitioned towards a centralized caregiving model^[2], moreover, the issue of elderly care involves the transition towards eldercare institutions, where older adults reside. However, the current inadequacy of facilities and poor management in these institutions has resulted in physical and mental health concerns among the elderly. Therefore, exploring eldercare models that are more suitable for the Chinese context and innovating service delivery methods have become urgent issues that need to be addressed. Enhancing the quality of life for older adults is of paramount importance [2].

Thirdly, the issue of elderly care also encompasses the construction of elderly security systems. Currently, the majority of older adults in China belong to the low-income group. Ensuring comprehensive protection for the elderly within the social security system is a critical challenge. This includes reforms and improvements in pension systems, medical insurance systems, and other aspects, enabling older adults to enjoy reasonable elderly care security after retirement and breaking free from the notion of relying on their children for support.

Lastly, the issue of elderly care also presents opportunities for businesses. The elderly care industry is one of the industries with vast future prospects. Relevant enterprises can leverage technologies such as the internet to provide more and better elderly care services, contributing to society while creating commercial value.

3. The development of China's elderly care policies since the reform and opening up

In the early stages of the Reform and Opening Up, China's elderly care security system was extremely weak. Older adults relied solely on their savings and family support to address their retirement needs, as there were no corresponding systems for elderly care insurance or medical security in society. In order to improve the living standards of older adults, the Chinese government began to explore the establishment of an elderly care security system and gradually implemented a series of elderly care policies [3].

This translation maintains a professional and academic tone while accurately conveying the content about the initial weaknesses of China's elderly care security system during the early stages of the Reform and Opening Up, the reliance on personal savings and family support, and the subsequent exploration and implementation of elderly care policies^[3]. Since the Reform and Opening Up, China's elderly care policies have undergone several stages of development:

3.1 Initial stage (1980-1990)

During this stage, China's elderly care insurance system was primarily organized by individual enterprises. In the late 1980s, the Chinese government began implementing "10 measures to benefit the people," which included policies on healthcare and economic subsidies for the elderly. The government provided some policy support and guidance but did not establish a nationwide elderly care insurance system.

3.2 Exploratory stage (1991-2002)

During this stage, the Chinese government began to pay attention to the issue of elderly care and gradually established a basic social security system for elderly care. In 1991, the government promulgated the "Law of the People's Republic of China on the Protection of the Rights and Interests of the Elderly," which explicitly stipulated that the elderly enjoy the same human rights and basic rights as other citizens. It also required the government to take measures to ensure the basic living and medical security of the elderly. In 1997, the government issued the "Regulations on Basic Endowment Insurance for Urban Residents of the People's Republic of China," formally establishing the urban employee pension insurance system. In 1998, the "Social Insurance Law" was promulgated, providing basic pension security for the elderly [4].

3.3 Development stage (2003-present)

During this stage, China's elderly care security system has been further improved. In 2006, the

Chinese government promulgated the "Regulations on the Protection of the Rights and Interests of the Elderly," which further enhanced the protection policies for the elderly. In 2008, the government issued the "Law of the People's Republic of China on Basic Pension Insurance for Enterprise Employees," achieving the institutional unification of employees and urban residents^[4]. With the increasing pressure of population aging, the Chinese government has gradually introduced a series of elderly care security policies. These include the establishment of supplementary pension insurance, home-based elderly care services, and other initiatives.

4. The challenges in current chinese elderly care policies

Despite rapid developments in the elderly care insurance system and the elderly care service industry since the Reform and Opening Up, Chinese elderly care policies still face certain difficulties and challenges.

4.1 Insufficient elderly care insurance funds

Insufficient funds in the elderly care insurance system is a widespread issue during its reform. Currently, there are two systems in place nationwide: the "Basic Pension Insurance for Enterprise Employees" and the "Basic Pension Insurance for Urban and Rural Residents." While these systems cover a significant portion of the elderly population, there are inherent limitations in their practical implementation. The most significant challenge lies in the lack of sustainability, as the existing elderly care insurance funds cannot meet the growing demands of the future aging population. With the intensifying aging demographic, the payment amounts for elderly care insurance increase, but there is a lack of adequate financial support.

4.2 Low quality of elderly care services

Despite significant development in China's elderly care service industry, the quality of services provided still falls short of meeting the needs of older adults. This is primarily attributed to factors such as a shortage of skilled personnel in the industry, inadequate training opportunities, and an imperfect management system.

4.3 Significant urban-rural disparity

Within China's elderly care insurance system and elderly care service industry, there exists a significant disparity between urban and rural areas. Compared to their urban counterparts, elderly individuals in rural areas face more pronounced challenges in terms of elderly care security and access to care services. In rural regions, there is a lack of robust elderly care security, and the availability of care services is limited. While the number of nursing homes is gradually increasing in urban areas, the quality and affordability vary, leading to lower levels of trust among older adults. In rural areas, due to inadequate infrastructure, there is a relative scarcity of elderly care services, leaving most elderly individuals to rely on self-care or family support at home.

4.4 Incomplete elderly care policy system

China's elderly care policy system is still incomplete, with insufficient considerations and challenges in policy formulation. Some policies suffer from issues such as weak regulation and implementation difficulties. For instance, in recruitment and labor contracts, age is sometimes used as a restrictive condition, making it difficult for some older individuals to secure employment. Additionally, certain older adults face inequalities in access to healthcare and social welfare.

5. The Future Reform Directions and Recommendations

To address the challenges and issues faced by China's elderly care policies more effectively, the following future reform directions and recommendations are proposed:

5.1 Strengthening investment management of elderly care insurance funds

To address the issue of insufficient elderly care insurance funds, the Chinese government can

strengthen the investment management of these funds by allocating them to stable equity and bond markets. Additionally, the government can encourage enterprises to establish their own corporate pension plans, providing employees with better retirement security.

5.2 Increasing training for elderly care service personnel

To enhance the quality of elderly care services, the Chinese government can increase investment in training programs for personnel in the elderly care service industry. This can be achieved by encouraging more universities to offer specialized courses in elderly care services and providing scholarships for individuals pursuing careers in this field.

5.3 Narrowing the urban-rural disparity

The task of China's social policies is to promote balanced and harmonious development and ensure fairness among different regions. This applies to elderly care policies as well, which should strive for precise targeting. The dichotomy between urban and rural areas and regional disparities have led to unequal development of elderly care policies across different areas. To narrow the urban-rural disparity in elderly care security, the Chinese government can implement various measures. For instance, the government can increase subsidies for rural elderly care insurance, encourage elderly care service institutions to operate in rural areas, and adopt other strategies to enhance the level of elderly care security for rural elderly individuals.

5.4 Improving the elderly care policy system

Elderly care policies refer to the institutional arrangements established by the state, political parties, and authoritative organizations to protect the legitimate rights and interests of the elderly and ensure their well-being. The formulation of elderly care policies should be based on in-depth investigations, and the government should ensure that the policies are evidence-based and feasible. To better manage elderly care policies, the Chinese government can strengthen regulatory mechanisms and enhance the effectiveness of policy implementation. Additionally, the government can actively promote the development of the elderly care service industry to provide more choices and services for the elderly.

6. Conclusion

Elderly care policies refer to the institutional arrangements established by the state, political parties, and authoritative organizations to protect the legitimate rights and interests of the elderly and ensure their well-being. The formulation of elderly care policies should be based on in-depth investigations, and the government should ensure that the policies are evidence-based and feasible. To better manage elderly care policies, the Chinese government can strengthen regulatory mechanisms and enhance the effectiveness of policy implementation. Additionally, the government can actively promote the development of the elderly care service industry to provide more choices and services for the elderly.

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