

*Reactions and responses
from state and society
in China*

Prosperity Amidst Poverty and Inequality

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New School, April 2012

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Social Welfare Priorities of the 12th FYP (2011-15)

Part VIII: Improve people's wellbeing, establish and improve basic public service system

- *Take people's livelihood as a priority; improve employment, income distribution, social security, medical services and housing security to ensure and improve people's livelihood; advance equalisation of basic public services; and strive to share the fruits of China's development to benefit all Chinese people.*

Scope and key areas of basic public services during the 12th Five-Year Plan period

- ***Public education goals***
- a) *nine-year compulsory education free of charge; accommodation fees exempted in boarding schools in rural areas during the years of compulsory education;*
- b) *secondary vocational education free of charge for rural students, students from urban families in economic difficulties and students studying agriculture-related majors;*
- c) *subsidies provided to children from families in economic difficulties, orphaned and disabled children to receive pre-school education*

Scope and key areas of basic public services during the 12th Five-Year Plan

- *Social security goals*
- a) urban employees and residents to enjoy **basic pension scheme**, and rural residents to enjoy new countryside social pension scheme;
- b) urban employees and residents to enjoy **basic medical insurance**, and rural residents to enjoy new countryside cooperative medical scheme;
- c) urban employees to enjoy **unemployment insurance, work injury insurance and maternity insurance**;
- d) provide urban and rural residents living in economic difficulties with **minimum living allowances**, medical assistance, funeral and internet assistance and other services;
- e) provide welfare services to special groups of people including orphaned children, disabled people, households enjoying the five guarantees (childless and infirm old persons who are guaranteed food, clothing, medical care, housing and burial expenses), and elderly seniors.

Scope and key areas of basic public services during the 12th Five-Year Plan

- *Employment services goals*
- a) provide employment info, consultation, referral, labour mediation and arbitration services to urban and rural labourers free of charge;
- b) provide basic vocational training free of charge to unemployed people, rural migrant workers, disabled people, and new labourers;
- c) provide employment assistance to people with employment difficulties and zero-employment families.

Scope and key areas of basic public services during the 12th Five-Year Plan

- ***Housing security goals***
- ***a) provide low-rent housing to urban low-income families with housing difficulties;***
- ***b) provide public rental housing to urban lower-middle-income families with housing difficulties.***
 - **36 million low-income apartment units to be built in urban areas during the current five year plan**

Scope and key areas of basic public services during the 12th Five-Year Plan

- *Income re-distribution goals*
- *Accelerate the creation of a reasonable and orderly incomes distribution system nationwide in order to reverse the trend toward a widening income gap primarily through changes to the*
 - *Taxation and wage systems*
 - *Gradual expansion of the social security net*
 - *State spending and investment in public service provision*
 - *Direct transfer payments to disadvantaged groups and regions*

Monthly Minimum Wage by Region (2010)

Light = RMB 600-749

Medium = RMB 750-899

Dark = RMB 900+



Chinese Academy of Sciences (2010), Regional Development Research: A Roadmap to 2050.

Entering the new century, China's regional development policies have gradually shifted from pursuit of more **balanced development** to pursuit of **coordinated development**, which refers to coordination in:

- Urban and rural development
- Macro-regional development
- Economic and social development
- Human and natural development
- Domestic development and further opening to the outside.

Comprehensive, coordinated and sustainable development of nature, economy and society has replaced economic growth as the major objective and value orientation of regional development.

But at the same time, **regional disparity** in China has widened continuously ;

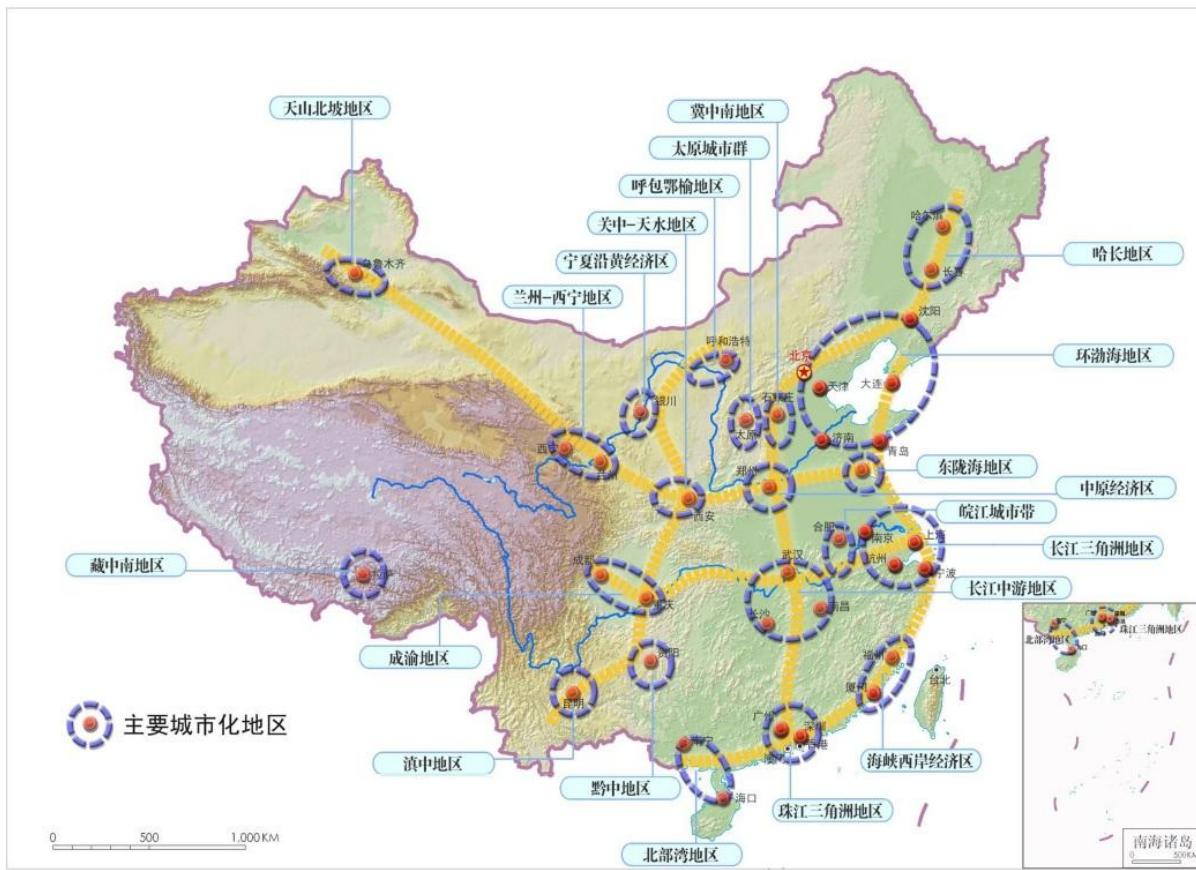
AND

Industrialization and urbanization have been pushed forward irrationally, regardless of the carrying capacity of available resources and the environment.

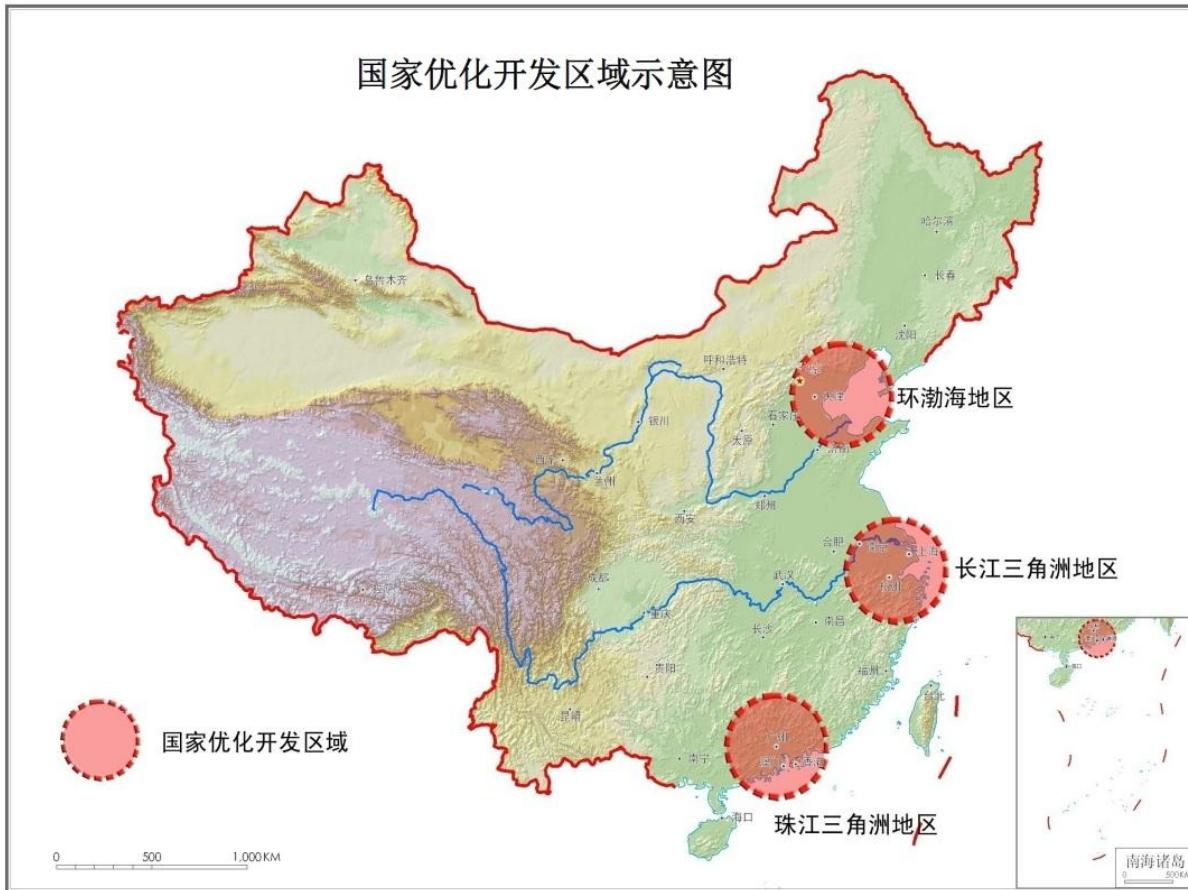
Chinese Academy of Sciences (2010), Regional Development Research: A Roadmap to 2050.

- Against this background, it is necessary to promote industrialization and urbanization in a rational way and attempt to achieve the equalization of basic public services nationwide.
- So as to build up an orderly spatial structure of land development, which will entail the establishment of comprehensive ecological compensation mechanisms, and all necessary policy support systems.
- Coordinated development of nature, economy and society together has replaced the previous single-targeting of environmental clean-up and protection.
- A combination of government regulation and the market mechanism has replaced direct state control; with support from industry in building infrastructure and enriching the forms of ecological compensation that are possible.
- Comprehensive standards of evaluation that include ecological benefits, social acceptability and economic feasibility have replaced single standards for environmental protection and development.

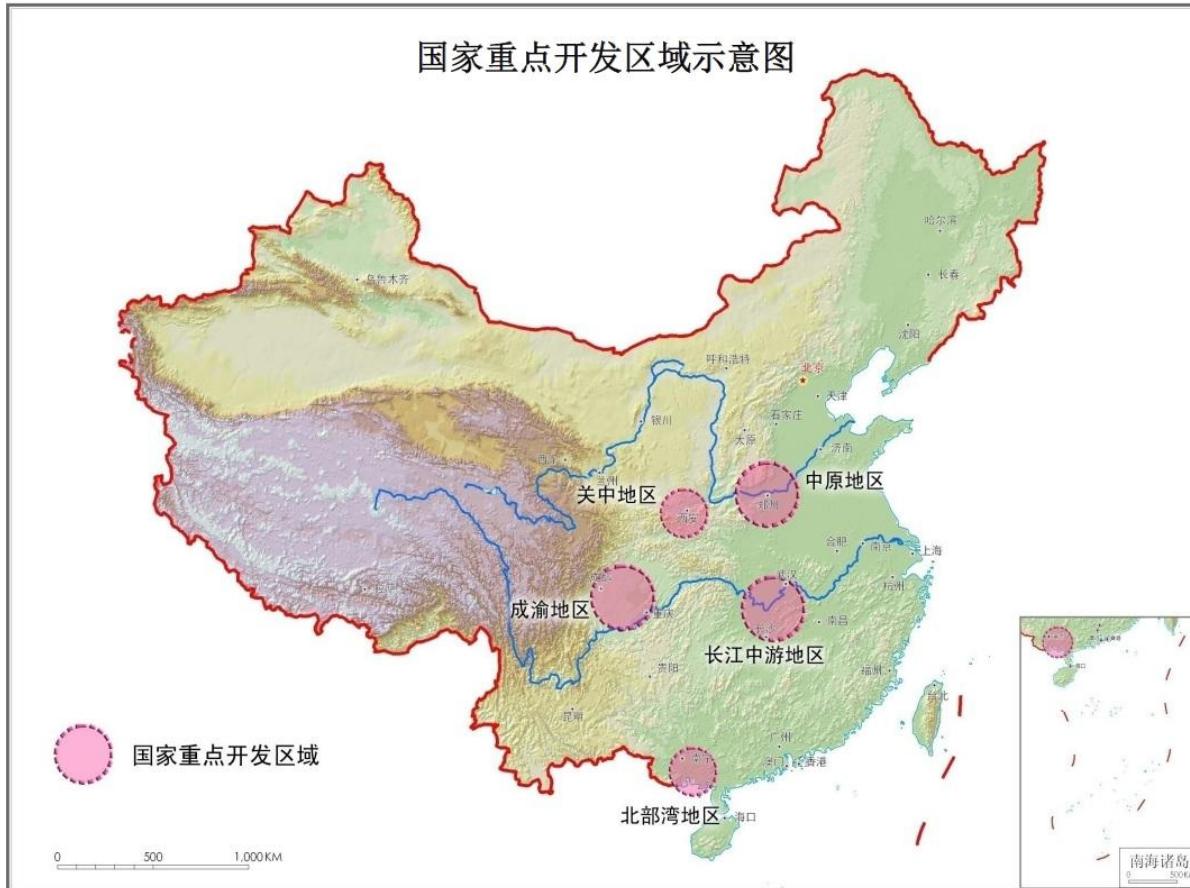
Key Urbanized Areas: Two Horizontal and Three Vertical Belts



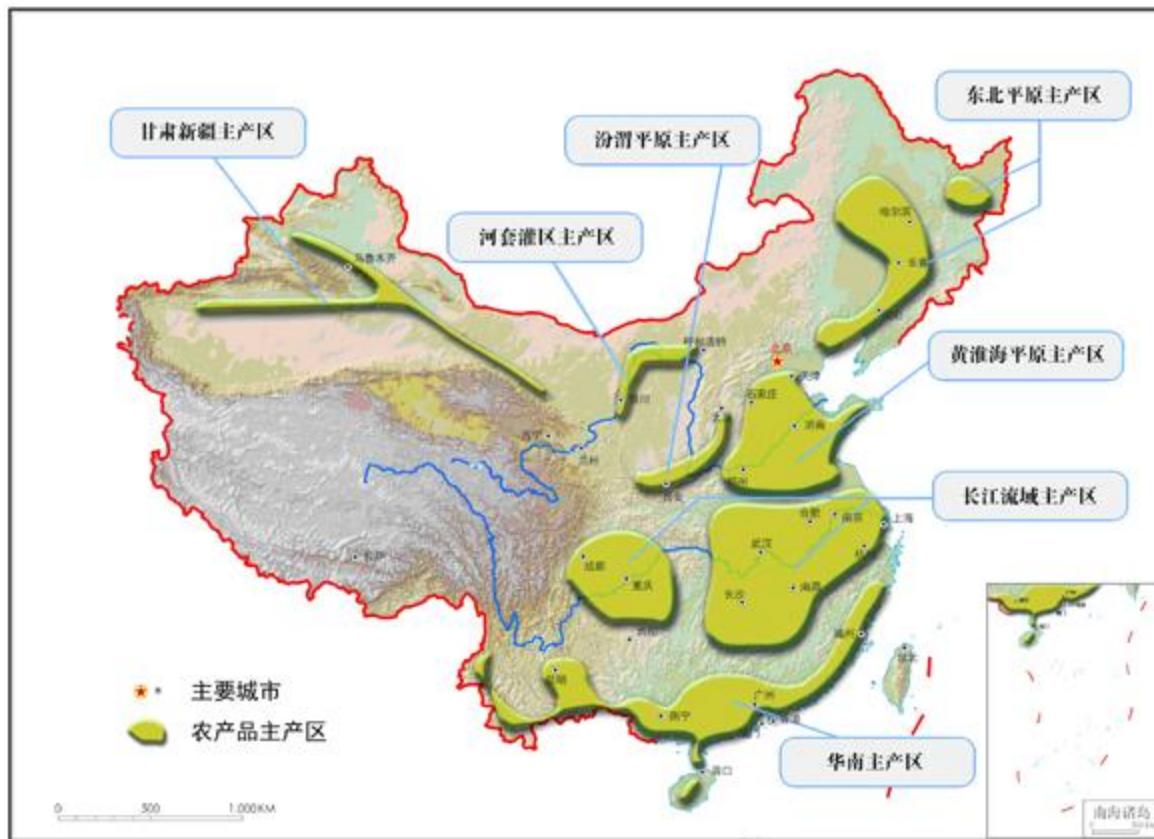
Optimized Development Zones



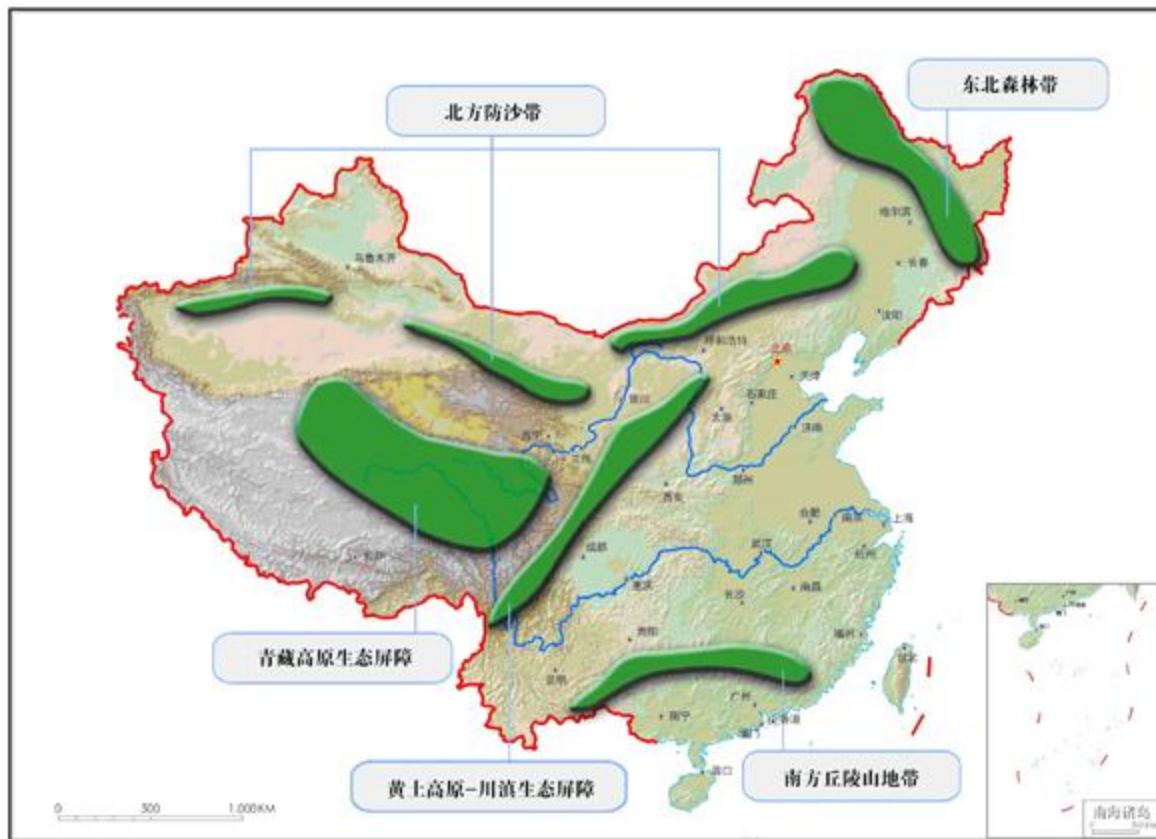
Prioritized Development Zones



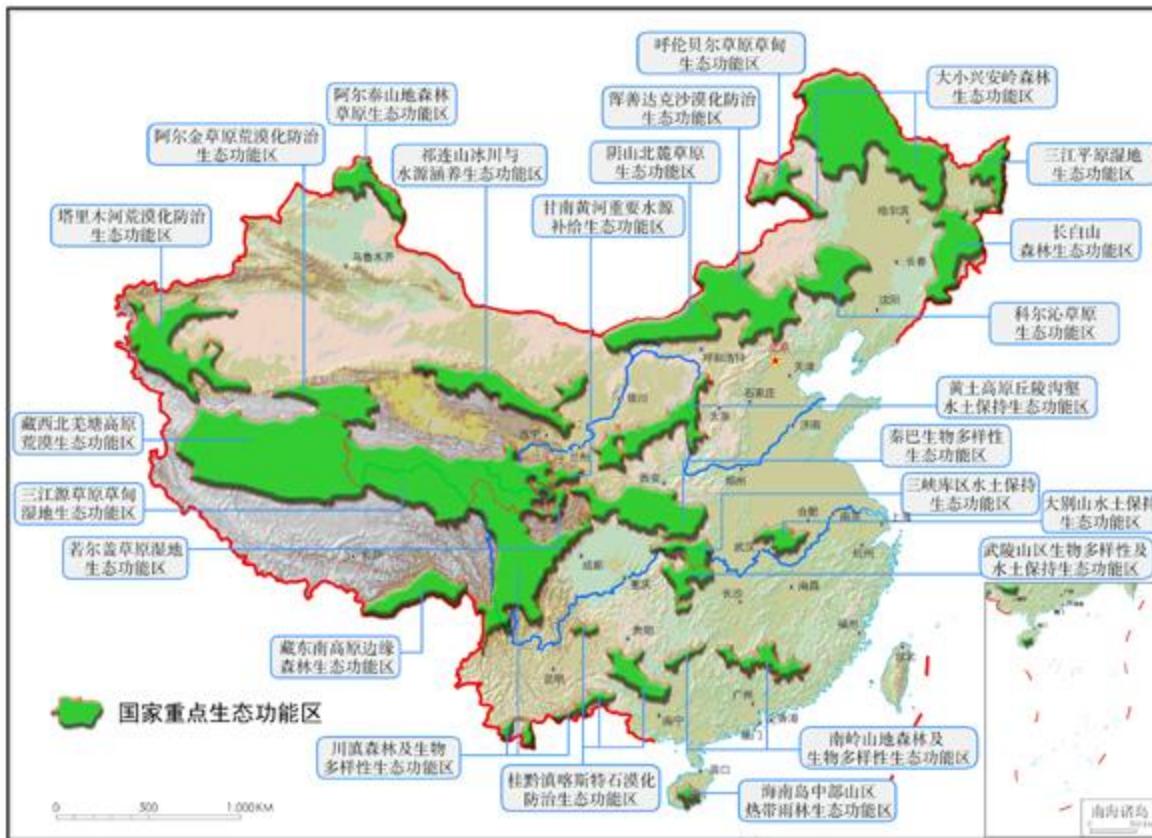
Restricted Development Zones: Agricultural



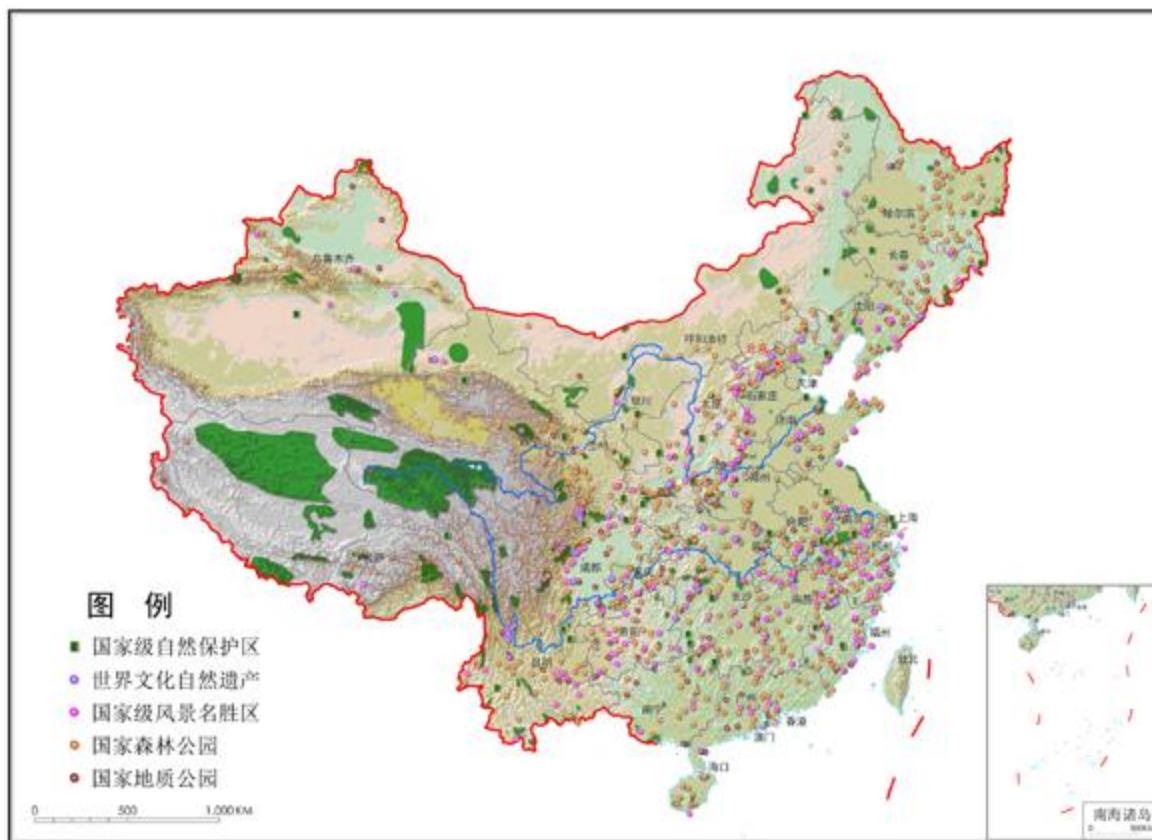
Restricted Development Zones: Environmental



Keypoint Ecological Function Zones



National Level Prohibited Development Zones



Indicator	2010	2015	Average annual growth rate	
Economic development				
- GDP (trillion yuan)	39.8	55.8	7%	Expected
- Urbanisation rate (%)	47.5%	51.5%	4% (accumulative figure over 5 years)	Expected
People's livelihood				
- Per capita disposable income of urban residents (yuan)	19109	> 26810	> 7%	Expected
- Per capita net income of rural residents (yuan)	5919	> 8310	> 7%	Expected
- Registered urban unemployment rate (%)	4.1%	< 5%		Expected
- Number of new jobs in urban areas			45,000,000 people (accumulative figure over 5 years)	Expected
- Number of urban residents enrolled in basic pension scheme	257 million people	357 million people	1% (accumulative figure over 5 years)	Binding
- Rate of enrolment in basic medical insurance in urban and rural areas (%)			3% (accumulative figure over 5 years)	Binding
- Number of low-income apartments built in urban areas (units)			36 million units (accumulative figure over 5 years)	Binding
- Total population	1.341 billion	< 1.39 billion	< 7.2%	Binding
- Average life expectancy (years of age)	73.5	74.5	1 year (accumulative figure over 5 years)	Expected

A National Strategy?



Key indicators of economic and social development during the 12th Five-Year Plan period

Target is set to increase the income of urban and rural residents at a rate no lower than that of the GDP growth.