

**THE CHINESE SOCIETY IN 2012:
*MINSHENG, MINSHENG, STILL MINSHENG***

ZHAO Litao & QI Dongtao

EAI Background Brief No. 776

Date of Publication: 13 December 2012

Executive Summary

1. In 2012, the Chinese society has largely been stable, due in part to its better performance in employment and inflation.
2. For years, the Hu-Wen administration has been using a policy framework comprising “social construction” and “social management”, focusing on various issues of *minsheng*, or people’s livelihood. Improvement of *minsheng* is probably Hu-Wen’s greatest achievement.
3. China’s income inequality, although still high, may be approaching its peak. The rural-urban income gap has been declining three years in a row since 2010; income growth for migrant workers has been faster in the central and western regions than in the eastern region in the last two years.
4. In the area of education, the most notable development in 2012 is the decision to increase government spending on education to over 4% of GDP, amounting to 2,200 billion yuan.
5. In the area of social security, by 2012 basic medical insurance has achieved nearly universal coverage nationwide. The focus in 2012 is on the expansion of basic pension, which is expected to be universalized by 2015.
6. Since 2004, China has turned to “social management” as a new approach to maintaining social stability and managing social complexity. But to date, the social management policies are still ambiguous, with local practices varying considerably.
7. China’s mass incidents, a key indicator of social instability, have been rising constantly since the early 1990s. In 2006 and 2010, the number of mass incidents reached 90,000, and 180,000, respectively. However, increasing mass incidents have not led to political instability across China.

8. Urban mass incidents in recent years have shown some new trends. First, violent conflicts between the local government and a large number of bystanders who have no stake in the issue of conflict have been increasing.
9. Second, the new generation migrant workers have become the largest labor protest group in eastern China. Third, 2012 witnessed the increasing salience of the environmental protest.