

Is China rich enough to claim a ‘well-off society’? One ex-official says grand economic goal can wait

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President Xi Jinping has made creating a “comprehensively well-off society” a milestone goal in his “Chinese dream” of national rejuvenation. Illustration: Henry Wong

A former state official says China should wait to declare that it has built a “comprehensively well-off society” – a milestone goal in President Xi Jinping’s “Chinese dream” of national rejuvenation – since the country still has 1.1 billion people not qualified as middle class.

Beijing had pledged to achieve the goal this year. But this week’s comments by He Keng, former deputy director of the Financial and Economic Affairs Committee of the National People’s Congress, run contrary to the Communist Party line.

And his words, now censored online in mainland China, bring to light a lack of consensus in the country about the biggest self-imposed performance goal set by the Chinese leadership – one that was to see the nation double its gross domestic

product from 2010 to this year, while realising other improvements in terms of governance and the environment.

Speaking at an economic forum in Beijing on Sunday, He said an announcement this year that the country has successfully built up a “comprehensive well-off society”, generally implying that everyone feels relatively safe and affluent, would not be very convincing if most people have not felt a noticeable improvement in their quality of life or income.

“The middle-income group should be the dominant part of a comprehensive well-off society,” He said at the forum. “How can we claim that we are comprehensively well-off when 600 million people – half of the national population – earn a monthly income of just 1,000 yuan (US\$143)?

“The [Tokyo] Olympic Games were postponed for a year; why can’t we postpone [the milestone goal] for one or two years? That way, the results would be more convincing.” Given the state of the world amid the coronavirus pandemic, Japanese Prime Minister Shinzo Abe and International Olympic Committee President Thomas Bach agreed in March to postpone the 2020 Tokyo Games.

He’s comments were not reported by any Chinese media but went viral on social media before all posts about his speech were censored. The *South China Morning Post* saw a video recording of He speaking.

The goal of building up a “comprehensively well-off society” by this year is one of two centenary goals advanced by Xi following the 18th National Congress in 2012, in the lead-up to the Communist Party’s 100th anniversary next July. The other goal, set for the 2049 centenary of the founding of the People’s Republic of China, involves China being able to declare itself to be a powerful and harmonious socialist country.

These goals are cornerstones underpinning the ruling party’s vision for the nation, but the general goals are defined more by descriptive words than concrete numerical targets, giving Beijing the leeway to interpret and explain the abstract goals as it sees fit.

The suggestion of delaying the “well-off society” goal by He, who holds no official capacity, directly challenges the official stance that China will declare victory in its grand goal. He is currently president of the Beijing Private Economic Development Association.

In an article published last week in *People’s Daily*, the Communist Party’s mouthpiece, Ning Jizhe, head of the National Bureau of Statistics and a vice-chairman of China’s National Development and Reform Commission, said China had “basically accomplished” the goal.

However, many in China are questioning whether it is wise to label itself a fair and happy country when its wealth gap is among the widest in the world, and when hundreds of millions of people, including 290 million migrant workers, are bearing the brunt of the coronavirus fallout and are suffering from institutional discrimination in terms of pensions, education and health care.

The views expressed by He received support online before being censored.

He also said that the people's share of China's economic prosperity has been declining as the distribution of national wealth is tilted towards the state, which negatively affects consumption. He also said China has only 300 million people who can be categorised as "middle income" or above, and the vast majority of Chinese people still fall below the lowest end of middle-income group. And He said China should deepen its economic reform.

"The key lies in whether we are willing to reform and really follow the route of [late paramount leader] Deng Xiaoping," He added. "We must follow that route so that the economy can be improved."

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