

# Profile of Middle Class in Mainland China

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Since the beginning of this century, a social group with higher income, higher education and higher occupational prestige has been emerging in Chinese cities. It has been called by the public media as “middle class”. Even though people dispute about the definition of middle class, there is no doubt that this group exists in Mainland China and it is expanding quickly. The group has attracted more and more attentions from the public, businessmen and policy-makers as well as researchers of sociology, economics and politics. Sociologists especially have had a great interest in the group and made many discussions about it. However, because middle class is newly emerging in China and its boundary and attributes are unclear, most of researches have just begun to collect basic information about this group. This article, therefore, is also trying to depict general profile of middle class of China through three aspects: 1) emergence of middle class: background, definition and volume; 2) composition of middle class; 3) social-political attitudes of middle class.

Data of this research have diverse sources including Census data (1982, 1990, 2000) and 1% population survey data (2005) collected by the National Bureau of statistics; Household income survey of Chinese cities (1988, 1995, 2002) collected by the Institute of Economics of the Chinese Academy of Social Sciences; national sample survey data of social structure change (2001) and CGSS data (2006) collected by the Institute of Sociology of the Chinese Academy of Social Sciences.

The classification of middle class in this article is the class scheme of EAMC project (Eastern Asian Middle Class Project) developed by Hsin-Huang Michael Hsiao and Alvin Y. So (Hisao 1999: 9). There are six classes in this scheme: ① capitalist class (employer hiring more than 20 workers); ② new middle class (professionals and managers); ③ old middle class (small owners); ④ marginal middle class (routine workers); ⑤ working class (blue-collar workers); and ⑥ farmers. The author, taking account of the specific features of Mainland China, makes a little modification in detail classification and definition of the class scheme.

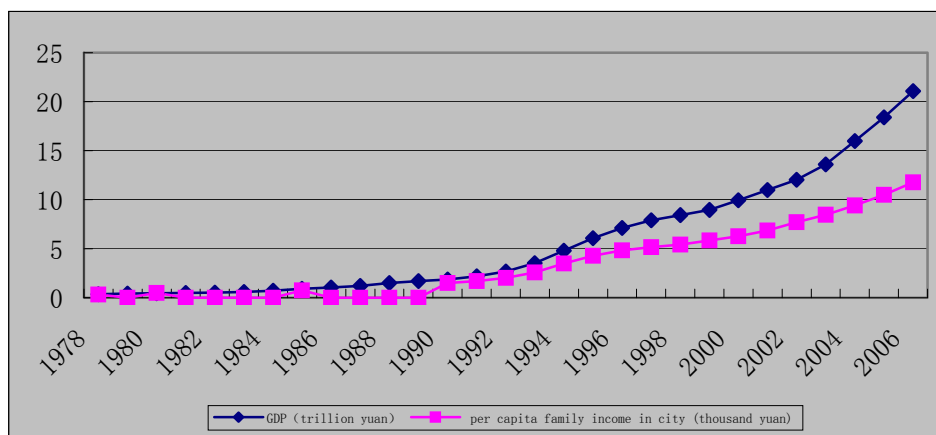
## 1. Emergence of middle class

### 1.1 Background

Stable and fast economic growth in the recent decades has provided a foundation for the emergence of Chinese middle class. Graph 1 illustrates the GDP growth and income growth of Mainland China in the recent decades. In 1978, Chinese GDP was only 364.5 billion Chinese yuan but it reached 21087.1 billion Chinese yuan in 2006. It is almost 58

times of the GDP of 1978. Average annual economic growth in these 28 years is more than 13%. With the fast economic growth, the per capita family income has also increased significantly. In 1978, per capita family income of urban area was only 342.4 yuan but it increased to 11759.5 yuan in 2006. It is more than 34 times of the income of 1978.

Figure 1 Growth of GDP and income during 1978-2006



On the other hand, the number of persons with high education has been increasing significantly since 1980s. In 1980s, among population aged more than 18 years old, only about 1% in nationwide and 11% in cities had high education. In 2005 the corresponding percentages are 7% and 17% respectively. This has caused the growth in the number of white-collar employees. In 1982 about 7% among population aged more than 18 years old were white-collar occupation in nationwide. However, in 2005 it increases to 12%. Although percentage of white-collar workers in cities fluctuated during 1990s and 2000s, the number of white-collar workers has been increasing in cities because of urbanization. The expanding of high education and white-collar occupation has resulted in emergence of middle class.

Table 1 Percentages of persons with high education and white-collar occupation

| Year | % of persons with high education among population of 18+ years old |        | % of persons holding white-collar occupation among population of 18+ years old |        | Urbanization |
|------|--|--------|--|--------|--------------|
|      | Nationwide   | Cities | Nationwide   | Cities |              |
| 1982 | 1%   | -      | 6.9%   | -      | 20%          |
| 1988 | -  | 10.7%  | -  | 46.0%  | -            |
| 1990 | 2.3%   | 10.9%  | 7.5%   | 25.0%  | 26%          |
| 2000 | 5.0%   | 14.4%  | 8.0%   | 17.4%  | 39%          |
| 2005 | 7.0%   | 17.1%  | 12.4%  | 24.8%  | 43%          |

## 1.2 Definition of middle class

### *Public image of middle class*

Who are middle class? It is a greatly controversial issue in China. Nobody can give a clear and satisfactory answer. There are many different and conflicting definitions. Usually three criteria are mentioned to clarify middle class in Mainland

China. First criterion is income. Middle class should be a person with higher and stable income. Second criterion is occupation. Middle class should be a person holding professional or managerial occupation. Third criterion is education. Middle class should be a person with high education. In addition, the public media and businessmen created a typical image of middle class based on the consumptive behaviors and life-style of richer people. Thus, consumption becomes the fourth criterion. Middle class should afford large houses, luxurious cars and other expensive goods. Among these criteria, income is the most important one. In general, most people in China classify middle class based on income level. It is Chinese impression that members of middle class are businessmen, managers and intellectual elites with very high income and leading consumption. This concept of middle class is quite different from that sociologists put forward. However, sociologists should take into account this public image of middle class when they are studying middle class issue. The public image of middle class has strong symbolic implication that distinguishes middle class from general members of the society including working class and regular wage earners. Those classified by sociologists as middle class are experiencing great anxiety when they find they could not reach income and consumption standards of middle class.

*Four groups of middle class based on EAMC class scheme*

Middle class of Mainland China is emerging in a specific social, economical and political context that is quite different from the condition of other Chinese societies. We need to make two modifications when applying EAMC class scheme. One is about the class position of capitalist class. Another is about the further classification of new middle class. EAMC class scheme implies there are three major components in the class structure of the urban society: capitalist class, middle class and working class. At the same time, middle class has been divided into three parts: new middle class (professionals and managers), old middle class (small owners) and marginal middle class (routine workers). However, Capitalists, named as private entrepreneurs, are supposed to be an important part of middle class in Mainland China. That is because Chinese capitalist class is a new class and its appearance has been changing the original class structure and symbolizing a rising of middle class. It is unlike the emergence of middle class in other societies, in which expanding social group of professional and managerial employees represented a rising of middle class and changed the original class structure that was composed of capitalist class and working class. In addition, capitalist class is not the most dominant or most advantageous social group in Mainland China. Most of private entrepreneurs are owners of small or medium size enterprises. Even though they possess a large number of economic capital, there is a limit to their social and political influences. In China, the most dominant and advantageous group is high-ranking government officials and CEO of state-owned enterprises. They have great powers and control most of social-economic resources but capitalists have not. In this context, capitalists are deemed as a part of middle class in Mainland China.

On the other hand, institutional segmentation between the public and private sectors divides middle class into two parts. One part is located in the public sector

including governmental organizations, institutions funded or controlled by the government, and state-owned enterprises. Another part is located in the private sectors. This division markedly exists in new middle class. Middle class in the public sector is very different in social, economic, political characteristics from its counterpart in the private sector.

Based on EAMC class scheme and above-mentioned modifications, middle class in this paper is a mixture of four groups with different economic condition, social status and social-political function. They are capitalist class, new middle class, old middle class and marginal middle class. New middle class could be further divided into two sub-groups: new middle class of public sector and new middle class of private sector.

### 1.3 Growth in volume of middle class

Table 2 lists percentages of working class and middle class including capitalist class, new middle class, old middle class and marginal middle class in urban population of age 16-60 during 1982-2006. Percentages of five classes of 1982, 1990, 2000 and 2005 are calculated from Census data and 1% population survey. Percentages of 1988, 1995 and 2002 are derived from Household income survey of Chinese cities. Percentages of 2001 and 2006 are from national survey of social structure change and CGSS. Even though different classifying variables in various data sets can not reach completely identical estimation, the growth trend of middle class has been clearly reflected in these data. From 1982 to 2006, new middle class increases about 10 percent points. Old middle class was almost inexistent before two decades and now its percentage reached more than 10 percent points. Fast growth and high percentage of old middle class is one of significant characteristics of the development of Chinese middle class. In most of western countries, expansion of new middle class usually is followed by a diminution of old middle class. However, in Mainland China, Old middle class and new middle class have been expanding simultaneously. Actually, number of old middle class in many middle-size and small-size cities, especially in towns, is larger than that of new middle class. Marginal middle class also develops quickly. Its percentage increases about 10 percent points during this period. Capitalist class emerged in this period but percentage is small comparing to other classes. Rising of middle class results a significant decline of working class. Its percentage reduces about 30 percent points.

*Table 2 Change in class structure of urban areas during 1982-2006*

| Year  | Capitalist Class | New Middle Class | Old Middle Class | Marginal Middle Class | Working Class |
|-------|------------------|------------------|------------------|-----------------------|---------------|
| 1982  | 0.0              | 13.9             | 0.1              | 19.7                  | 66.3          |
| 1988  | 0.1              | 17.2             | 3.2              | 23.8                  | 55.7          |
| 1990  | 0.5              | 19.6             | 2.2              | 19.9                  | 57.8          |
| 1995  | 0.6              | 22.1             | 5.5              | 26.6                  | 45.2          |
| 2001* | 1.5              | 16.6             | 10.3             | 33.2                  | 38.4          |

|       |     |      |      |      |      |
|-------|-----|------|------|------|------|
| 2002  | 1.1 | 23.6 | 11.1 | 29.1 | 35.1 |
| 2005  | 1.6 | 21.0 | 9.7  | 31.4 | 36.3 |
| 2006* | 0.6 | 18.8 | 19.6 | 25.4 | 35.7 |

*Note: 2001 and 2006 data including cities and towns (with lower percentage of new middle class and higher percentage of old middle class), others are data of cities.*

## 2. Composition of middle class

### 2.1 Middle class and change of economic institution

Middle class of Mainland China has been emerging under a tremendous change of economic institution. That is the transformation from planning economy to market economy. During the period of planning economy, almost all employees worked for the public sector. In 1982, all members of new middle class and marginal middle class stayed in the public sector and capitalist class and old middle class were inexistent at that time (table 3). With the economic marketization since 1980s, capitalist class and old middle class have appeared in the private sector. They became new elements of middle class. At the same time, members of new middle class and marginal middle class have transferred gradually into the private sector. However, most of new middle class (62.2%) and marginal middle class (54.2%) are still staying in the public sector. This has resulted an important feature of middle class of Mainland China. The members of middle class in the public sector have a closer relationship with the state since they depend greatly on the state in their socio-economic condition. Some of them, especially upper new middle class, have strong influences on policymaking and public opinion.

### 2.2 Education and occupation of middle class

Mainland China has experienced a fast expansion of secondary education and tertiary education in the recent decade. Average education level of whole population increased very quickly. As a result, education level of middle class also advanced significantly (table 4). New middle class and marginal middle class have advanced their education steadily. Schooling years of new middle class and marginal middle class increased respectively 4.5 and 5.1 years during 1988-2006. At the same time, education of capitalist class and old middle class has been also advanced. In 1988, capitalists and old middle class were groups with lowest education. Their education was even lower than working class. During 1988-2006, schooling years of these two classes increased respectively 8 and 3.4 years. The increase of schooling years of capitalist class is the fastest. Capitalist class was a class with most economic capital but least cultural capital in 1980s and 1990s. Now this class possesses not only economic capital but also cultural capital. Its average education has become close to that of new middle class.

Professionals, managers and administrators of the governmental organizations are three major occupations of new middle class but percentage of each occupation changes in different periods (table 3). Professional has remained the highest percentage in all periods although it fluctuated sometime. The percentage of

administrator has declined over time. The percentage of manager was the lowest one in new middle class of 1988 and increased sharply in 1995 and then slightly decreased after that. Its sharp increase in 1995 might be the result of rapid development of enterprises of villages and towns in late 1980s and early 1990s. Its slight decrease after 1995 was due to the shrinkage of village and town enterprises as well as the bankruptcy of many state-owned enterprises.

*Table 3 Composition of middle class in urban area (I)*

|      | Sector %         |         |                       |         | Occupation %     |               |         | Female %         |
|------|------------------|---------|-----------------------|---------|------------------|---------------|---------|------------------|
|      | New middle class |         | Marginal middle class |         | New middle class |               |         | New middle class |
|      | Public           | Private | Public                | Private | Professional     | Administrator | Manager |                  |
| 1982 | 100.0            | 0.0     | 100.0                 | 0.0     | --               | --            | --      | --               |
| 1988 | 99.6             | 0.4     | 99.6                  | 0.6     | 70.2             | 21.7          | 8.1     | 38.2             |
| 1995 | 99.1             | 0.9     | 98.2                  | 1.8     | 63.7             | 12.3          | 23.9    | 39.9             |
| 2002 | 87.0             | 13.0    | 76.9                  | 23.1    | 66.7             | 12.2          | 21.1    | 38.4             |
| 2006 | 62.2             | 37.8    | 54.2                  | 45.8    | 71.2             | 10.3          | 18.5    | 38.8             |

*Table 4 Composition of middle class in urban area (II)*

|                       | Average education (year) |      |      |      | Average age |      |      |       |
|-----------------------|--------------------------|------|------|------|-------------|------|------|-------|
|                       | 1988                     | 1995 | 2002 | 2006 | 1988        | 1995 | 2002 | 2006  |
| Capitalist class      | 5.8                      | 9.7  | 10.9 | 13.8 | 41.5        | 41.2 | 43.1 | 35.1  |
| New middle class      | 10.4                     | 12.3 | 13.2 | 14.9 | 42.5        | 45.6 | 41.6 | 36.0  |
| Old middle class      | 6.4                      | 8.1  | 9.2  | 9.8  | 35.1        | 35.6 | 39.7 | 38.3  |
| Marginal middle class | 8.8                      | 10.6 | 12.2 | 13.9 | 38.7        | 40.7 | 39.0 | 34.9  |
| Working class         | 7.3                      | 8.5  | 9.4  | 9.3  | 34.8        | 41.9 | 40.7 | 37.25 |

### 2.3 Age and Sex of middle class

Sex ratio of new middle class seems to remain stable and unchanged over time. More than 60% of new middle class are men and about 40% are women (table 3). Sex ratios of other groups of middle class are also unchanged and men have had higher percentages than women in all groups of middle class at all times. That means it is difficult to change the advantageous situation of men in middle class. Figures in table 4 display classes with more power or authority have higher percentages of men. Capitalist class has highest percentage of men (86.7%). Figures in table 5 show, among new middle class, groups with more authority (administrator and manager) have higher percentages than the group with less authority (professional).

*Table 5 Sex percentage of middle class in urban area 2006 (%)*

|        | Capitalist | New middle class |               |         | Old middle | Marginal     | Working |
|--------|------------|------------------|---------------|---------|------------|--------------|---------|
|        | class      | Professional     | Administrator | Manager | class      | middle class | class   |
| Male   | 86.7       | 48.0             | 87.5          | 82.1    | 55.0       | 57.9         | 55.9    |
| Female | 13.3       | 52.0             | 12.5          | 17.9    | 45.0       | 42.1         | 44.1    |

As for age, middle class seems to become younger over time (table 4),

especially capitalist class, new middle class and marginal middle class. One reason is probably that all employment population becomes younger and younger in the recent decade because of earlier age of retirement and high tide of newly labor.

#### 2.4 Family background and first occupation of middle class

As the first generation of middle class, they have heterogeneous family background and had diversified occupational experiences. Table 6 lists the father's class position of middle class and their first class position. Most members of capitalist class and old middle class are from under classes. Nearly 60% of these two class from the farmer family and more than 20% from the working class family. New middle class has best family background among groups of middle class. Nevertheless, more than half of them are from farmer and working class families. Among total members of middle class, 65.3% are from farmer and working class.

*Table 6 Family background and first class position of middle class 2001 (%)*

|                       | Father's class   |                  |                  |                       |               |              |       |
|-----------------------|------------------|------------------|------------------|-----------------------|---------------|--------------|-------|
|                       | Capitalist class | New middle class | Old middle class | Marginal middle class | Working class | Farmer class | Total |
| Capitalist class      | 0.0              | 7.9              | 3.8              | 8.5                   | 21.1          | 58.7         | 100   |
| New middle class      | 0.0              | 37.1             | 2.5              | 7.7                   | 21.0          | 31.7         | 100   |
| Old middle class      | 0.0              | 6.6              | 10.0             | 2.7                   | 24.3          | 56.4         | 100   |
| Marginal middle class | 0.0              | 16.5             | 1.5              | 22.6                  | 26.5          | 32.9         | 100   |
| Working class         | 0.0              | 7.1              | 2.2              | 4.8                   | 39.5          | 46.4         | 100   |
|                       | First class      |                  |                  |                       |               |              |       |
|                       | Capitalist class | New middle class | Old middle class | Marginal middle class | Working class | Farmer class | Total |
| Capitalist class      | 2.1              | 9.1              | 8.5              | 13.2                  | 31.2          | 35.9         | 100   |
| New middle class      | 0.9              | 37.1             | 2.0              | 23.7                  | 22.2          | 14.1         | 100   |
| Old middle class      | 0.0              | 5.1              | 5.9              | 5.2                   | 47.6          | 36.1         | 100   |
| Marginal middle class | 0.0              | 15.8             | 1.5              | 28.2                  | 34.7          | 19.8         | 100   |
| Working class         | 0.0              | 1.8              | 1.8              | 7.2                   | 49.8          | 39.4         | 100   |

Most members (56.5%) of middle class had held blue-collar jobs before they entered middle class. 67.1% of capitalist class and 83.7% of old middle class had their first jobs as farmers or blue-collar workers. Marginal middle class also has 54.5% percentage being farmers or blue-collar workers before they became middle class. Even among new middle class, 36.3% had been farmers and blue-collar workers.

Heterogeneous family background and diversified occupational experience as well as closer relationship to farmer class and working class have had significant impacts on the formation of middle class. That has brought about a series of barriers in the process of developing identical consumption culture and status identity of middle class.

#### 2.5 Middle class defined by income

As mentioned earlier in this paper, income is the most important criterion to define middle

class for the public and scholars in Mainland China. We may classify middle class by EAMC class scheme but most members of such middle class are not acknowledged to be middle class by the public since their incomes do not reach the income level of middle class. However, how much income a person earns makes him to be middle class? This is the most controversial issue in the study of middle class in Mainland China. No identical standard of income has been reached by the public and researchers but most people think middle class must be persons who have income much more than average income. Li Peilin and Zhang Yi (2007) developed a method to estimate the number of income middle class and classify income strata in Mainland China. According to this method, persons with income more than 2.5 times of average income of urban area are members of the high income group. This high income group accords with the public image of middle class to some extent. Using CGSS data of 2006 to calculate income, the baseline of high income group is ¥28272 yuan of yearly income. Namely, persons with yearly income more than 28272 yuan are qualified to middle class according to income criterion. How many members of middle class defined by EAMC project reach this income criterion? Table 7 lists the average yearly incomes of middle class and the percentages of middle class reaching income criterion of middle class.

*Table 7 Average yearly income of middle class and percentages of income middle class*

|                       | Average yearly income | % of persons with yearly income more than 28272 yuan |
|-----------------------|-----------------------|--|
| Capitalist class      | 46495                 | 75.0   |
| New middle class      | 26422                 | 28.3   |
| Old middle class      | 18630                 | 16.7   |
| Marginal middle class | 16971                 | 11.7   |
| Working class         | 11371                 | 3.7  |

Except for capitalist class, all groups of middle class have low percentages of persons reaching income criterion of middle class. Less than one-third of new middle class, less than one-fifth of old middle class and slight more than one-tenth of marginal middle class have yearly incomes more than 28272 yuan. Among total members of middle class including all four groups, only 18% reach income criterion of middle class. Based on this proportion, we may estimate only 11% of urban population or 6% of whole population arrive at both criteria of middle class----sociological criterion and public criterion. The dichotomy between social status and economic condition of middle class has resulted a bizarre phenomenon. Most members of middle class defined by sociologists deny they are middle class and complain about why they could not reach the living standard of middle class. On the other hand, this has become a strong dynamics for middle class to pursue economic interests and strive for reaching living standard of middle class. Indeed, more and more persons among middle class have joined the high income group in the recent years. Table 8 shows increasing percentages of persons having income more than 28272 yuan over time.

*Table 8 Percentages of income middle class and income middle class family (%)*

| Year | Income middle class |            | Income middle class family |            |
|------|---------------------|------------|----------------------------|------------|
|      | Urban area          | Nationwide | Urban area                 | Nationwide |

|                         |     |     |     |     |
|-------------------------|-----|-----|-----|-----|
| 1988 (Cities)           | 0.5 | --- | 0.7 | --- |
| 1995 (Cities)           | 0.8 | --- | 0.8 | --- |
| 2001 (Cities and towns) | 3.4 | 2.1 | 3.4 | 1.7 |
| 2006 (Cities and towns) | 8.6 | 4.6 | 5.8 | 3.0 |

Note: Income middle class denotes persons having yearly income more than 28272 yuan. Income middle class denotes families with per capita yearly income more than 20715 yuan (2.5 times of average per capita family income). The calculation includes the price index of each year.

### 3. Social-political attitudes of middle class

What kinds of social-political attitudes does middle class hold? That is a major concern among studies of middle class in Mainland China. Researchers especially pay great attention to the potential impact of middle class on social-political change of China. Chinese researchers have two different, actually conflict views on this issue. Some scholars believe that middle class is supposed to be social force to promoting political democracy. But other researchers think Chinese middle class seem to hold conservative political views. They are the major force to maintain the stability of existing social-political order. These researchers explain that Chinese middle class is the most beneficiary from the economic reform and economic growth. That results they hope keeping a stable social-political order and don't expect any large change in social-political institutions. These researchers also mentioned another reason ----- major members of Chinese middle class are governmental officials and professionals and managers working for the government. That makes a close relationship between middle class and the state. Thus, generally speaking, Chinese middle class has preference for a strong and stable government and should not take action to promote political democracy. This part of the paper examines four aspects of social-political attitudes of middle class and tries to answer the questions: will middle class become a social force for promoting political democracy or will middle class be a conservative force for supporting the existing political institution? The four aspects of social-political attitudes include subjective judgment on the individual living situation, subjective judgment on general social situation, the degree of confidence in the government, and views on state authority.

#### 3.1 Subjective judgment on the individual living situation

The measures of subjective judgment on the individual living situation include two questions: "Comparison with five year ago, your current standard of living is:"(Q1) and "You think your standard of living after five years will be:"(Q2). The aim of measuring this attitude is to find if middle class feels more satisfactory on their living situation than working class or new middle class feels more satisfactory than other groups of middle class. If so, middle class is probably inclined to conservative political attitudes and remaining the existing institutions.

Table 12 Subjective judgment on the individual living situation

| Q1. "Comparison with five year ago, your current standard of living is:" (%) |        |           |       |            |               |
|--|--------|-----------|-------|------------|---------------|
| Much better  | Better | No change | Worse | Much worse | Average score |

|                       | (2)  | (1)  | (0)  | (-1) | (-2) |       |
|-----------------------|------|------|------|------|------|-------|
| Capitalist class      | 17.1 | 52.2 | 17.0 | 13.7 | 0.0  | .5560 |
| New middle class      | 10.9 | 60.9 | 20.7 | 5.0  | 2.5  | .7284 |
| Old middle class      | 8.8  | 48.3 | 28.0 | 10.6 | 4.3  | .4679 |
| Marginal middle class | 7.6  | 56.9 | 20.5 | 11.7 | 3.3  | .5378 |
| Working class         | 7.2  | 46.5 | 28.3 | 12.0 | 6.0  | .3684 |

**Q2. "You think your standard of living after five years will be:" (%)**

|                       | Much better | Better | No change | Worse | Much worse | Average score |
|-----------------------|-------------|--------|-----------|-------|------------|---------------|
|                       | (2)         | (1)    | (0)       | (-1)  | (-2)       |               |
| Capitalist class      | 5.1         | 59.2   | 30.7      | 4.1   | 0.9        | .6931         |
| New middle class      | 14.9        | 53.7   | 25.1      | 4.6   | 1.7        | .7552         |
| Old middle class      | 11.3        | 43.4   | 38.2      | 5.5   | 1.6        | .5715         |
| Marginal middle class | 7.6         | 45.6   | 36.1      | 10.0  | 0.7        | .4918         |
| Working class         | 8.2         | 37.8   | 41.4      | 9.0   | 3.6        | .3163         |

**Total average score of Q1 and Q2**

| Capitalist class | New middle class | Old middle class | Marginal middle class | Working class | Total  | F Test    |
|------------------|------------------|------------------|-----------------------|---------------|--------|-----------|
| 1.2491           | 1.4836           | 1.0395           | 1.0296                | .7473         | 1.0183 | 12.977*** |

Sig: \* $\leq .05$ ; \*\* $\leq .01$ ; \*\*\* $\leq .005$ .

Table 12 lists the percentages of persons selecting each answer. The right part of the table shows the average scores of each class based on the values of each answer of Q1 and Q2. The bottom of the table shows the total average scores which are calculated together from values of Q1 and Q2. Total average scores show that new middle class has highest average score while working class has lowest ones. The score of capitalist class is lower than ones of new middle class but higher than scores of old middle class and marginal middle class. That means four groups of middle class have more positive judgment on their living situation and future life than working class. Among middle class, new middle class evaluates best their living situation and expects best their future life. About 71.8% of new middle class say their living standard improves in the recent five years. It is the highest percentage of five classes on this answer. Only 7.5% of them say their lives become worse in the recent five years. It is the lowest percentage on this answer. The percentages of other classes on this answer are 2 times or more than 2 times of their answer. As for the life in the future five years, 68.6% of new middle class expects their lives will be better in the future five years. It is also the highest percentage on this answer. Only 6.3% of new middle class think their lives will be worse. It is the second lowest percentage and the percentage of capitalist class is the highest.

### 3.2 Subjective judgment on general social situation

Measures of subjective judgment on general social situation include two questions: "Do you think social situation in our country is stable?"(Q3) and "How do you feel about social circumstance in our country?"(Q4). The results of Q3 and Q4 list in table 13. Total average scores of five classes show no significant difference on the judgment and all scores are positive figures. F test is not significant. That means all classes including middle class and working class express a positive evaluation on current social situation. Most members of all classes are inclined to consider that social situation of the country is relative stable and harmonious. However, there are

little differences in percentages. Capitalist class seems to have little better evaluation than other classes and working class seems to have slight lower evaluation than other classes.

Table 13 Subjective judgment on general social situation

| Q3. "Do you think social situation in our country is stable?" (%)   |                  |                  |                       |               |                   |               |
|---|------------------|------------------|-----------------------|---------------|-------------------|---------------|
|   | Very stable      | Stable           | Don't know            | Unstable      | Very unstable     | Average score |
|   | (2)              | (1)              | (0)                   | (-1)          | (-2)              |               |
| Capitalist class  | 0.0              | 96.5             | 3.5                   | 0.0           | 0.0               | .9900         |
| New middle class  | 5.2              | 75.0             | 1.8                   | 17.5          | 0.3               | .6718         |
| Old middle class  | 9.2              | 68.8             | 4.6                   | 15.9          | 1.5               | .6821         |
| Marginal middle class   | 5.4              | 68.7             | 4.9                   | 17.3          | 3.8               | .5458         |
| Working class   | 7.7              | 66.0             | 4.5                   | 20.3          | 1.5               | .5811         |
| Q4. "How do you feel about social circumstance in our country?" (%) |                  |                  |                       |               |                   |               |
|   | Very harmonious  | Harmonious       | Don't know            | Inharmonious  | Very inharmonious | Average score |
|   | (2)              | (1)              | (0)                   | (-1)          | (-2)              |               |
| Capitalist class  | 0.0              | 86.3             | 0.0                   | 13.7          | 0.0               | .7259         |
| New middle class  | 3.2              | 73.0             | 2.4                   | 20.8          | 0.6               | .5733         |
| Old middle class  | 5.9              | 69.8             | 6.5                   | 15.9          | 1.9               | .6168         |
| Marginal middle class   | 2.2              | 70.8             | 5.4                   | 18.9          | 2.7               | .5093         |
| Working class   | 4.6              | 66.4             | 5.6                   | 21.6          | 1.8               | .5047         |
| Total average score of Q3 and Q4                                    |                  |                  |                       |               |                   |               |
| Capitalist class  | New middle class | Old middle class | Marginal middle class | Working class | Total             | F Test        |
| 1.7259  | 1.2451           | 1.2989           | 1.0551                | 1.0858        | 1.1518            | 1.636         |

Sig: \* $\leq .05$ ; \*\* $\leq .01$ ; \*\*\* $\leq .005$ .

### 3.3 Degree of confidence in the government

The measuring confidence degree in the government is based on six items: the central government, local government, media of the government, statistical figures published by the government, accusing office of the government and police and court. Selective answers includes very believe (2 score), relative believe (1 score), not sure (0 score), not relative believe (-1 score) and very not believe (-2 score). Table 14 lists the total average scores and average scores of each item. Total average scores show no significant difference between classes. All of them are positive figures. That means all five classes express a relative confidence in the government. The average scores of each item, however, indicate that there are differences in some items (the central government, media of the government, statistical figures published by the government) and no differences in other items. All classes express quite higher degree of confidence in the Central government while expressing relative lower degree of confidence in statistical figures (except for capitalists) and accusing office. A crucial find here is that both middle class and working class confide strongly in the Central government. 94.1% of new middle class, 94.8% of old middle class, 95.4% of marginal middle class, 94.2% of working class and 89.9% of capitalist class say they relatively believe or very believe in the Central government. Their confidence degree on local government is about 10 percent points less than their confidence on the Central government. In

addition, their confidences on police and court and accusing office are about 20 percent points and 30 percent points less than the confidence on the Central government. This implies that not only middle class but also working class has no great desire to change the existing social-political institution even though they have a lot of complaints against certain policies or certain organizations of the government. Middle class especially do not like something happened to influence on social-political stability.

Table 14 “Do you believe below governmental organizations or information published by the government?” (Average scores)

| Items   | Capitalist class | New middle class | Old middle class | Marginal middle class | Working class | F Test    |
|---|------------------|------------------|------------------|-----------------------|---------------|-----------|
| ① Central government                              | 1.1370           | 1.3631           | 1.4177           | 1.4181                | 1.4244        | 10.135*** |
| ② Local government                                | .5123            | .5582            | .5524            | .5684                 | .5323         | .752      |
| ③ Media of government                             | .5123            | .5769            | .5786            | .5956                 | .6014         | 5.63*     |
| ④ Statistical figures published by the government | 1.0000           | .2398            | .3890            | .2675                 | .3838         | 9.539**   |
| ⑤ Accusing office of the government               | .2330            | .4046            | .3132            | .2749                 | .3251         | .228      |
| ⑥ Police and court                                | .7916            | .4036            | .4862            | .4655                 | .4398         | .163      |
| Total average scores                              | 4.1861           | 3.5462           | 3.7371           | 3.5900                | 3.7068        | .157      |

Sig: \* $\leq .05$ ; \*\* $\leq .01$ ; \*\*\* $\leq .005$ . (Figures of percentages are omitted in table.)

### 3.4 Views on state authority and democracy

The measure of views on state authority and democracy is based on six statements (table 15) which represent strong state authority and weak democratic consciousness. There are 5 selections of answer: strongly agree (2 score), agree (1 score), not sure (0 score), don't agree (-1 score) and strongly don't agree (-2 score). The aim of this measure is to examine if middle class has more consciousness of democracy and less identity of state authority. Table 15 lists the total average scores of six statements and average scores of each statement. The total average scores indicate significant difference in degrees of state authority identity of five classes. New middle class has the lowest scores and its value is negative. The score of marginal middle class is also negative. But other two groups of middle class, capitalist class and old middle class, have similar scores to ones of working class. The average scores of each statement also show that new middle class has much lower average scores in statement ①, ②, ③ and ⑤ than other classes. Undoubtedly, new middle class is the class with least state authority identity, namely with most democracy consciousness. At the same time, marginal middle class is another group with more democracy consciousness. 20.5% of new middle class and 23.5% of marginal middle class agree with statement ② but percentages of other three classes are between 35%-36%. As for statement ①, 48.2% of new middle class and 57.8% of marginal middle class express agreement but 66%-71% of other three classes agree with it. For agreement with statement ③ and ⑤, percentages of new middle class are 42.7% and 38.8%, percentages of marginal middle class are 50.7% and 41.6%, while percentages of other three classes are 60%-62% and 48%-49%. All five classes show similar attitudes toward to statement ④ and ⑥, very high percentage (91%-93%) for statement ④ and very low percentage (8%-9%) for statement ⑥.

Table 15 “Do you agree with statements below?” (Average scores)

| Items   | Capitalist<br>class | New<br>middle<br>class | Old<br>middle<br>class | Marginal<br>middle class | Working<br>class | F Test     |
|---|---------------------|------------------------|------------------------|--------------------------|------------------|------------|
| ① Democracy means the government make decisions for people  | .6493               | -.0622                 | .5371                  | .3022                    | .6301            | 16.871***  |
| ② Government is responsible for managing important affairs of our country, people do not need to think about them | -.3752              | -.8391                 | -.3314                 | -.7636                   | -.4206           | 20.026***  |
| ③ People should follow the government’s instructions, just like employees should obey the commands of boss        | -.0052              | -.2061                 | .3709                  | .0389                    | .2811            | 17.868***  |
| ④ The government and party have capabilities to manage our country  | 1.5862              | 1.2136                 | 1.3171                 | 1.1857                   | 1.2655           | .336       |
| ⑤ People should move out of their houses if the government want to build public constructions in the place        | .4768               | -.1689                 | .0134                  | -.1631                   | .0146            | 8.856**    |
| ⑥ People pay tax and the government may decide how to spend it without taking into account of people’s ideas      | -1.7259             | -1.5055                | -1.2545                | -1.4549                  | -1.2725          | 3.5        |
| Total average scores  | .6059               | -1.5683                | .6525                  | -.8548                   | .4981            | 20.504**** |

Sig: \* $\leq .05$ ; \*\* $\leq .01$ ; \*\*\* $\leq .005$ . (Figures of percentages are omitted in table.)

Above results indicate that there are differences in views on state authority and democracy among middle class. New middle class and marginal middle class have more democracy consciousness but capitalist class and old middle class have more state authority identity. On the other hand, even though new middle class express most democracy consciousness among five classes, their percentages agreeing with statements of state authority identity are not very low. This means that many members of new middle class still have strong state authority identity. just like other classes. That results new middle class holds a contradictory attitude about western democracy. Some of them praise high the western democracy. At the same time, they think western democracy is not suitable for China because China is a large country with huge population and less developed and most of Chinese have lower education and so on. Some others think political democracy is an inevitable trend and China will finally implement democracy. But it will take long time and need a step-by-step progress. The government is now going ahead in this direction. They don’t think they should personally take actual actions to do something about it.

#### 4. Conclusion

Chinese middle class is now expanding very quickly. Its expansion has been especially reflected in the fields of income and consumption. Thus, in the public view, middle class in Mainland China is mainly considered as income group and defined by income criterion. That results a severe divergence between income middle class and occupational middle class.

Middle class has been becoming a major component in urban China but not in nationwide. As a new and emerging class, it is a heterogeneous group. It has made up of four major social groups with different social-economic characteristics. New middle class is the core part of Chinese middle class. More than half of new middle class are located in the public sector. They has close relationship with the government, as result, they seem to prefer a stable and powerful state. Even though they have more democracy consciousness, they do not like large changes in the existing social-political institution.

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