

Discussion on China's Social Distribution and Social Fairness from an Economic Perspective

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How to cite this paper: Li, Y. R. (2024). Discussion on China's Social Distribution and Social Fairness from an Economic Perspective. *Open Journal of Social Sciences*, 12, 273-283.

<https://doi.org/10.4236/jss.2024.1212017>

Received: October 31, 2024

Accepted: December 14, 2024

Published: December 17, 2024

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Abstract

This paper conducts an in-depth discussion on China's social distribution and social fairness from an economic perspective. Firstly, the article analyzes the current situation of China's social distribution, including the pattern of income distribution, the situation of wealth distribution, and the current situation of the labor market. In the pattern of income distribution, China has experienced a transition from a single distribution according to work to a diversified distribution system, but the gap in income distribution is still relatively large. In the situation of wealth distribution, there are significant differences in assets and property income among social members, and some people have accumulated a large amount of wealth, while the wealth accumulation of the middle and low-income groups is relatively slow. In the labor market, there are problems such as supply and demand imbalance, employment discrimination, and unequal opportunities. Then, the article discusses three aspects of social fairness: unequal opportunities, unequal outcomes, and intergenerational transmission. In order to alleviate these problems, the government has taken a series of policy measures, including tax policies, social security policies, education policies, and employment policies. Tax policies aim to regulate income distribution, social security policies focus on the life risks of all members of society, education policies are dedicated to optimizing the distribution of educational resources, and employment policies strive to create more employment opportunities and improve the quality of employment. Finally, the article concludes that solving the problems of social distribution and social fairness in China requires the joint efforts and long-term struggle of the whole society, and through in-depth economic research, exploring a social distribution system and social fairness policy that is more in line with China's national conditions.

Keywords

Social Distribution, Social Fairness, Pattern of Income Distribution, Wealth

1. Introduction

In the context of the rapid development of China's social economy today, issues related to social distribution and social fairness have become increasingly prominent and have become an important topic in economic research. Social distribution refers to the distribution of the national income created by the laborers in the material production sectors, and it is an important link in the process of social reproduction. Social distribution refers to the distribution of the national income created by the laborers in the material production sectors, and it is an important link in the process of social reproduction. The basic principles of China's distribution system are: "guided by improving people's lives, using incentives and rewards for outstanding performance as means, with equality and fairness as the core, and with the participation of all people as the essence." Social distribution is not only related to the economic interests of each individual, but also affects the harmonious, stable, and sustainable development of the entire society. With the deepening of reform and opening up and the establishment of the market economic system, China's income distribution pattern has undergone significant changes. While the diversified distribution system has improved economic efficiency, it has also led to the expansion of income distribution gaps. This phenomenon has sparked widespread attention and discussions. How to optimize social distribution and promote social fairness has become an urgent problem to be solved.

Economics, as a discipline that studies economic phenomena, economic systems, and economic policies, provides us with powerful tools to analyze social distribution and social fairness issues. From an economic perspective, we can understand the nature and laws of social distribution more deeply, explore the factors and mechanisms that affect social fairness, and then provide a scientific basis for formulating relevant policies (Hong & Li, 2021). Therefore, this paper aims to discuss the issues of social distribution and social fairness in China from an economic perspective, analyze the challenges and difficulties currently faced, and explore possible solutions and policy recommendations.

Exploring and attempting to perfect the distribution methods are conducive to achieving economic fairness, and can also make individual efforts and contributions be valued. It is not only an important economic means, but also an important aspect of achieving common prosperity and the free and comprehensive development of individuals, and realizing long-term social stability.

2. Analysis of the Current Situation of Social Distribution in China

2.1. Income Distribution Pattern

The income distribution pattern in China has undergone significant changes in

the past few decades. In the early stage of reform and opening up, China's income distribution system gradually shifted from a single distribution according to work to a diversified distribution system combining distribution according to work and distribution according to factors of production. This transformation aims to improve economic efficiency, but at the same time, it has also led to the expansion of the income distribution gap (Liu, 2024).

The income distribution pattern can be divided into two stages: primary distribution and secondary distribution. Primary distribution is mainly based on the contribution of factors of production, such as labor, capital, and technology, reflecting the principle of efficiency. However, due to the unbalanced regional development, industry differences, and the incomplete competition in the labor market, primary distribution often leads to a large income gap. For example, the employees in some monopolistic industries and developed regions have much higher incomes than those in traditional industries and underdeveloped regions due to their resource advantages and higher productivity.

The secondary distribution stage is to adjust the results of primary distribution, aiming to reflect the principle of fairness. The government, through means such as taxation, social security, and transfer payments, strives to narrow the income gap and ensure the basic living of low-income people. However, the effect of the current secondary distribution system in adjusting the income gap still needs to be strengthened. The Gini coefficient, as an indicator to measure the income distribution gap, has remained at a relatively high level in China for a long time, exceeding the internationally recognized warning line.

The main contents of General Secretary's concept of distributive justice include three parts: "basic position", "basic principles", and "main manifestations". The "basic position" is "people-centered", the "basic principles" are the unity of the contribution principle, the equality principle, and the compensation principle under the "people-centered" basic position, and the "main manifestations" are the distributive justice concept in the economic field, the distributive justice concept in the political field, the distributive justice concept in the cultural field, the distributive justice concept in the social field, and the distributive justice concept in the ecological field based on the overall layout of the "Five-Sphere Integrated Plan" (Li, 2019).

Under the guidance of General Secretary's thoughts, in order to optimize the income distribution pattern, the Chinese government has taken a series of measures, including raising the individual income tax threshold, strengthening anti-monopoly supervision, and expanding the coverage of social security. These measures help alleviate the problem of unfair income distribution and promote the harmony and stability of society.

2.2. Wealth Distribution Situation

Wealth distribution is an extension and deepening of the income distribution pattern, which reflects the differences among social members in terms of assets,

property income, and so on. The wealth distribution situation in China also shows an unbalanced characteristic (Wei & Zhu, 2024).

On the one hand, with the rapid development of the economy and the in-depth market-oriented reform, a part of the population has accumulated a large amount of wealth through entrepreneurship, investment, and other ways, becoming the affluent class in society. They have relatively high assets and property income and enjoy high-quality life and services.

On the other hand, most social members, especially the middle and low-income groups, have a relatively slow accumulation of wealth, and there is even a risk of wealth loss. This part of the population mainly relies on wage income and lacks effective sources of assets and property income (Zhang, 2017). At the same time, due to the increase in living costs such as education, medical care, and housing, their ability to accumulate wealth has been further squeezed.

In order to improve the wealth distribution situation, the government needs to strengthen the supervision and regulation of wealth accumulation to prevent wealth from being overly concentrated in the hands of a few people. At the same time, by improving the social security system and raising the level of public services and other measures, more opportunities and guarantees for wealth accumulation are provided for the middle and low-income groups. In addition, encouraging and supporting the development of the charity industry and guiding the affluent class to actively participate in social public welfare undertakings is also an important way to achieve fair wealth distribution.

2.3. Current Situation of the Labor Market

The labor market is a bridge connecting production and consumption, and it is also a crucial link to achieve fair social distribution. The labor market in China has experienced rapid development and changes in recent years, but there are still some problems and challenges.

On the one hand, with the adjustment and upgrading of the industrial structure, the demand for highly skilled talents in the labor market is constantly increasing. However, due to the insufficiency in education, training, and other aspects, the supply of highly skilled talents is relatively short, resulting in a phenomenon of supply and demand imbalance in the labor market. This imbalance not only affects the production efficiency and competitiveness of enterprises, but also restricts the sustainable development of the economy.

On the other hand, problems such as employment discrimination and unequal opportunities in the labor market still exist. Some enterprises have discrimination in aspects such as gender, age, and household registration during the recruitment and employment process, resulting in some social members having difficulty obtaining equal employment opportunities and treatment. This kind of discrimination not only damages the legitimate rights and interests of workers, but also intensifies the unfairness and instability of society.

In order to improve the current situation of the labor market, the government

needs to strengthen the supervision and regulation of the labor market and break down the barriers of employment discrimination and unequal opportunities. At the same time, increase investment in education, training, and other aspects to improve the quality and skill level of workers and enhance their employment competitiveness and adaptability. In addition, by improving the social security system, raising the minimum wage standard, and other measures, protecting the legitimate rights and interests and income level of workers is also an important way to achieve fairness in the labor market.

3. Discussion on Social Equity Issues

3.1. The Issue of Inequality of Opportunity

From an economic perspective, inequality of opportunity is an important aspect of social equity issues. In Chinese society, inequality of opportunity is mainly manifested in multiple aspects such as the allocation of educational resources, access to the job market, and career development.

The unbalanced allocation of educational resources is one of the key factors leading to inequality of opportunity. Due to differences in regional economic development, differences in family economic conditions, and other factors, there are significant differences in the educational resources received by children in different regions. For example, urban children often enjoy more high-quality educational resources, including teaching staff, teaching facilities, and after-school tutoring, while rural children may face problems such as a lack of teaching staff and backward teaching facilities. This unbalanced allocation of educational resources makes rural children at a disadvantageous position in their future employment and career development, making it difficult to compete with urban children.

The inequality of opportunity in the job market also cannot be ignored. Some high-paying, high-status occupations are often monopolized by specific groups, while women, ethnic minorities, and those with poor educational backgrounds face the predicament of limited career choices. This inequality in career opportunities limits their career development space and also affects their social status and economic independence. In addition, there are discriminatory phenomena in some enterprises during the recruitment process, making it difficult for certain groups to obtain fair employment opportunities.

3.2. The Issue of Inequality of Outcomes

Inequality of outcomes is another important aspect of social equity issues. In Chinese society, inequality of outcomes is mainly manifested in aspects such as income distribution, wealth accumulation, and social security.

The inequality of income distribution is a severe problem currently faced by Chinese society. There is a large gap in income among some industries, regions, and groups, leading to intensified social class differentiation. For example, the income level of some monopolistic industries and high-paying positions is much higher than that of traditional industries and grass-roots positions, resulting in

the continuous expansion of the income gap between different groups. This inequality of income distribution not only affects the harmonious and stable development of society but also restricts the sustainable development of the economy.

The inequality of wealth accumulation is also worthy of attention. Some families have accumulated a large amount of wealth through inheritance, investment, and other means, while most families find it difficult to accumulate enough wealth to deal with future life risks. This inequality of wealth accumulation intensifies social class solidification, making it difficult for vulnerable groups to break out of the cycle of poverty.

3.3. The Issue of Intergenerational Transmission

Intergenerational transmission is a deep-seated issue in social equity issues. In Chinese society, intergenerational transmission is mainly manifested in aspects such as educational resources, employment opportunities, and wealth accumulation.

The intergenerational transmission of educational resources is one of the important factors leading to social class solidification. Some families cultivate their children by providing high-quality educational resources, enabling them to have stronger competitiveness in future employment and career development. Poor families often find it difficult to provide enough educational resources to support their children's growth and development, resulting in their children being at a disadvantageous position in future competition. This intergenerational transmission of educational resources intensifies social class differentiation, making it difficult for poor families to break out of the cycle of poverty.

The intergenerational transmission of employment opportunities cannot be ignored either. Some families provide employment opportunities for their children through social relationship networks, enabling them to have stronger competitiveness in the job market. Families lacking social relationships find it difficult to obtain high-quality employment opportunities, resulting in restrictions on their children's career development space in the future. This intergenerational transmission of employment opportunities limits the career development space of children from poor families and intensifies social class solidification.

4. Economics Perspective on Policy Analysis

4.1. Tax Policy

Tax policy is an important means of national economic management and has a profound impact on regulating social distribution and promoting social equity. From an economic perspective, tax policies are mainly divided into supply-side and demand-side strategies.

Supply-side economics emphasizes promoting economic growth and improving economic structure by reducing taxes and lowering the tax burden. Reducing corporate taxes, personal income taxes, and consumption taxes can stimulate market vitality, improve production efficiency, and enhance economic competitiveness.

This strategy holds that tax reductions can attract more funds to flow in, promoting enterprises to expand production and create employment opportunities, thereby helping to narrow the wealth gap. However, tax reduction policies may also lead to a reduction in government fiscal revenue, an increase in national debt and inflationary pressures, and even may exacerbate the wealth gap, affecting social fairness and stability.

Demand-side economics advocates stimulating economic growth and consumption demand and increasing employment levels by adjusting tax policies. By increasing government spending and reducing the tax burden on individuals and enterprises, total demand can be expanded and consumption stimulated. This strategy believes that increasing personal disposable income and increasing investment expenditure can promote industrial development and economic growth, thereby promoting social equity. However, demand-side policies may lead to an expansion of the fiscal deficit and an increase in national debt pressure, affecting macroeconomic stability (Jiang, 2022).

In China, the formulation of tax policies needs to be combined with the actual situation and comprehensive analysis to achieve economic balance and sustainable development. Both the stimulating effect of tax reduction on economic growth and its impact on fiscal revenue and social equity need to be considered. Through a reasonable tax system design, balancing economic growth and social equity is an important goal of China's tax policy.

4.2. Social Security Policy

Social security policy not only intervenes in the life risks of individuals and groups within the life cycle but also provides social security support, which is of great significance to social stability and economic development (Li & Zhu, 2023).

Firstly, social security policy embodies social nature and fairness. Social security is a social and economic system implemented uniformly throughout the society, and its objects are all members of the society, which reflects the social nature of social security. In social security, the principle of fairness requires appropriate adjustment of the initial distribution of the market through social security to narrow the excessive gap in income distribution among social members, so that the result of income distribution is generally accepted by social members. This is the embodiment of the fairness of social security policies.

Secondly, social security policy has mutual aid and security attributes. The original intention of designing social security policies is to use the "law of large numbers" of insurance to ensure people encountering life difficulties through raising funds from the society and using the "underpinning" of the state financially. When some social members encounter basic life difficulties, social security can provide basic economic support (Huang & Deng, 2021). This mutual aid not only provides a good foundation for the maintenance of social security policies but also reflects the social and moral connotations of social security policies.

Furthermore, social security policy also has the characteristic of development.

The field that social security policy focuses on is the basic living level of citizens, and it helps people maintain basic lives by providing basic economic subsidies. The fairness, social nature, and mutual aid of social security policies reflect its social stability connotation, and from the basic social attributes of social security policies, the development function of social security policies is also very important.

Finally, social security policy is an important part of the government's social management, reflecting the government's level of managing social risks. The government's social security policy is an organized response to social risks, and this policy responsiveness is reflected in multi-level macro and micro risk management. Through social security policies, the government can intervene in the group life risks at the social level and manage the social risks within the life cycle of individual social members.

4.3. Education Policy

From an economic perspective, education policy is regarded as one of the key factors affecting social distribution and social fairness. Education is not only the cornerstone of an individual's growth but also a significant force driving social and economic development. From an economic point of view, education policy directly affects the formation of human capital and labor productivity and then influences the overall level of economic development and income distribution pattern in society by regulating the allocation of educational resources and optimizing the educational structure.

In education policy, the economic analysis of education input and output is particularly important. On the one hand, with the growth of the economy, educational input needs to increase accordingly to meet the society's demand for education. This input includes not only government financial allocations but also family expenditures, social donations, and other multi-channel sources. A reasonable input structure can ensure that educational resources are tilted towards the places and groups that need them the most, promoting educational fairness. On the other hand, the social benefits of education output are also significant. It can not only enhance citizens' quality but also promote social harmony and enhance national competitiveness.

The fairness and efficiency of educational resource allocation are core issues in education policy. To ensure that every citizen enjoys equal educational opportunities, the government needs to balance the gap in educational resources between urban and rural areas and regions through intervention and regulation. At the same time, establishing a fair educational evaluation mechanism and reducing the impact of excessive competition and selective examinations are also important means to achieve educational fairness (Zhang & Li, 2024). In terms of efficiency, optimizing the allocation of educational resources, introducing market mechanisms, and encouraging social forces to participate in the supply of educational services can effectively improve the utilization efficiency of educational resources.

4.4. Employment Policy

From the macroeconomic perspective, employment policy is an important component of macroeconomic policies, aiming to promote economic growth, achieve full employment, and thereby maintain social stability and fairness, and justice by regulating the labor market.

In China, employment policy has always attracted great attention from the government and all sectors of society. The government has adopted a series of policy measures to strive to create more employment opportunities, improve employment quality, and promote the supply and demand balance in the labor market. For example, the government implements active fiscal policies, increases support for small and medium-sized enterprises and entrepreneurial enterprises, and encourages enterprises to expand their production scale and increase employment positions. At the same time, the government also reduces the operating costs of enterprises and enhances market competitiveness through preferential policies such as tax reduction and fee reduction and providing entrepreneurial loans, thereby indirectly promoting employment.

In addition, employment policy also focuses on enhancing the vocational skills and employment capabilities of workers. The government increases investment in vocational skills training and provides diverse training courses to help workers master new skills and adapt to market needs. This not only helps to enhance the employment competitiveness of workers, but also contributes to the optimization of industrial upgrading and economic structure.

During the implementation of employment policy, the government also pays attention to protecting the employment rights and interests of vulnerable groups. For example, the government implements employment assistance programs to provide comprehensive services such as job introduction, skills training, and entrepreneurial guidance for groups such as the unemployed, the disabled, and college graduates, helping them achieve employment. This not only helps to alleviate social contradictions, but also helps to enhance the overall well-being of society.

From an economic perspective, employment policy also promotes the optimal allocation of resources by regulating the labor market. The government formulates relevant laws and regulations to standardize the operation of the labor market and protect the legitimate rights and interests of workers. At the same time, the government also regulates the supply and demand relationship in the labor market through measures such as adjusting the minimum wage and implementing the unemployment insurance system, maintaining the stability and flexibility of the labor market.

5. Conclusion

The issue of social distribution and social equity in China is a complex and profound topic that requires in-depth exploration and analysis from multiple perspectives. From an economic perspective, we have witnessed various challenges brought about

by the unfair social distribution and the widening income gap, as well as the efforts and achievements made by the government and all sectors of society in promoting social equity.

In order to further optimize the pattern of social distribution and promote social equity, we need to continue to deepen reform and opening up, improve the market economic system, strengthen the construction of the legal system and regulatory efforts, and ensure the fair competition in the market and the rational allocation of resources. At the same time, the government also needs to increase investment in areas such as education, medical care, and social security, improve the level of public services, and provide more development opportunities and safeguards for low- and middle-income groups. In addition, encouraging and supporting the development of the charity sector and guiding the affluent class to actively participate in social public welfare undertakings is also an important way to achieve social equity.

In general, solving the issues of social distribution and social equity in China requires the joint efforts and long-term struggle of the whole society. Through continuous in-depth economic research and exploring more social distribution systems and social equity policies that conform to China's national conditions, we can lay a solid foundation for achieving the goal of building a modern socialist country in an all-round way.

Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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