

**PERSONNEL MOBILITY IN THE EMERGING LABOUR MARKET  
IN THE PEOPLE'S REPUBLIC OF CHINA**

by

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## **Abstract**

This research examined three main factors affecting the occupational mobility of college/university educated people (personnel) within the context of contemporary China's emerging labour market: the ownership of the work unit, graduate cohorts, and family backgrounds. Data collected from a sample of university graduates, aged 22 to 56 in five Chinese cities (N = 360) were used. It was found that: 1) the emergent labour market is segmented by the differences of ownership of the work unit - the state sector is relatively closed and the non-state sector is quite open; 2) ownership of the work unit is the most important structural factor that affects the channels of job change; 3) patterns of personnel mobility show remarkable cohort characteristics, which reflect both the processes of socialization during their formative years as well as the effect of different employment policies and opportunities; 4) family backgrounds have a great effect on occupational preferences and employment; meanwhile, the effect is conditioned by both the structure of the labour market and politics. These findings suggest that the interplay between the socialist political system and the market economy has significant implications on personnel mobility and the social stratification in China both contemporary and for the future.

**DEDICATION**

**This thesis is dedicated with love, to my father and mother:**

**He Laicheng and Zhong Min.**

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## **Chapter One**

### **Introduction**

The People's Republic of China is on the way to a social transition from a completely-centrally planned economy to a socialist market economy. The emergence of a labour market is changing the traditional job allocation system, the ownership of personnel by the work unit, and the patterns of personnel mobility. As it matures, the reformed labour market structure will have direct effects on opportunities for occupational mobility that are independent of the effects of individual characteristics. It is the relationship between the structure of the new labour market and the characteristics of personnel mobility that I shall explore in this study. The data, drawn from a survey with a self-administered questionnaire, were used for this research.

The concept of "labour market" used in this paper refers to the "arenas in which one or more of the following are similarly structured: employment, movement between jobs, development and differentiation of job skills, wage differences (in their own right or as functions of skills, social status, experience and other determinants)"(Althauser and Kalleberg, 1981:121). In this sense, there was no real labour market under the system of the centrally-planned economy.



The term “personnel mobility” is derived from the context of contemporary China’s economic transition. “Personnel,” in China, refers to those who have post-secondary education, a group which makes up only a small portion of the population.<sup>1</sup> “Personnel mobility” in this thesis refers to job shifts or occupational changes of personnel, no matter whether the movement is vertical or horizontal. Job changes among college/university graduates are more frequent than among their age peers who have not completed post-secondary education. Since a college/university graduate is automatically granted a state cadre status<sup>2</sup>, and the system of personnel management is a key part of the Chinese political structure, personnel mobility has characteristics which are different from those of other groups of workers.

When China’s economy was completely state-planned, both the number of students recruited by colleges and the allocation of employment of the graduates were strictly included in the state plan. This job allocation system had its both positive and negative aspects. While it guaranteed college graduates employment, it gave them little, if any, freedom to choose their occupations. Furthermore, along with the job allocation system,

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<sup>1</sup> According to a 10 per cent sampling data from the Chinese census of 1990, the number of graduates of college accounts for about 1.38 per cent of the population (Li, 1993:230)

<sup>2</sup> A state cadre status is one of the social status systems in China. For details, see section 1.2: “Job Allocation System”.

came the ownership of personnel by the work unit (*danwei*)<sup>3</sup>. This situation meant that employees could not change their jobs without the permission of the work units - and in fact “fixed” personnel in their job posts for life. Therefore, the rate of personnel mobility before 1980 was extremely low, except for periods following certain political movements.<sup>4</sup>

With the development of China’s post-mao economic reforms, the inadequacies of the old system began to emerge. While the country as a whole does not have a large enough educated workforce, personnel are often overstocked and wasted in some work units and departments because of many barriers to move within the system (Tang, 1994). In any case, the recent economic reforms both demand free personnel mobility and provide opportunities for personnel mobility. In fact, in recent years quite a few workers have changed or intend to change jobs. Therefore, personnel mobility has remained a “hot topic” in the Chinese media since the middle of the 1980s.<sup>5</sup>

What are the mechanisms and the factors governing personnel mobility? How do they affect job shifts or occupational choices of personnel? What are the motivations of

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<sup>3</sup> See section 1.1: “*Danwei* and ownership: the relationship between the *danwei* and its employees.”

<sup>4</sup> During the Maoist era, there were many large scale political movements which involved millions of university-educated people - personnel. For example, in 1957 Anti-Rightists Movement, a large number of intellectuals were forced to change jobs. Some of them were sent to the countryside to undergo “thought reform” by doing heavy manual labor.

<sup>5</sup> For example, the Chinese government announced that Hainan Island, which used to be a part of Guangdong province, would become a province and the biggest Special Economic Zone. It was reported that about 100,000 people went to Hainan to find jobs. Many of them were in the category termed personnel.

changing jobs for personnel? What are the values underlying these choices and change?

These are the major questions that motivated the research that I report in this thesis. Due to the fact that China is a socialist country characterised by the high centralisation of state power and one-party government, the political system has an overwhelming influence on all aspects of social life. In addition, although China is gradually changing from a “political time”<sup>6</sup> to an “economic time”, current economic reform is limited to ensure the political priority of maintaining the dominance of socialist public ownership of the means of production in the national economy (Gong, 1992; Goldstein, 1995). Therefore, the basic perspective used in this research is that of political economy in the sense of explaining the interplay between political and economic interests in China. With this perspective in mind, it is hoped that we will gain insight into not only the behaviour of the emerging labour market, but also into Chinese social stratification of the future.

The research is largely based on a survey which I conducted in China in 1994. I also draw on government documents, statistics and other relevant studies. What follows in this chapter is a brief description of the historical background of the three systems that are related to personnel mobility. Chapter Two presents the conceptual framework of the study

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<sup>6</sup> According to Zhang, Y. and Y. Cheng, the political time is characterized by the following four points: 1) political struggle gains dominance over the other aspects of social life; 2) stressing a closed and unique interest of a particular group against dissident groups; 3) ideology over economic interest is taken as the first goal; 4) political relations dominate the other social relations and social structures are combined based on a political relations. See Zhang and Cheng, 1988:36-59.

and describes the survey method that was employed. Chapter Three presents the data analysis and main findings of the survey. Finally, in Chapter Four, the conclusions of the analysis are made and, implications of the findings are discussed in depth along with some speculations regarding the future.

### **Historical Background:**

This section introduces the basic features of three main systems related to “personnel mobility”, and provides the historical background for the meaning of personnel mobility in contemporary China. The three systems are: the *danwei* (work unit) and ownership, the job allocation system, and the *hukou* (household registration) system .

#### **1.1 *Danwei* (work unit) and Ownership**

The majority of urban workers in China are organised under the *danwei* system. The *danwei* (work unit) in China is “an administrative term referring to all the organisations in almost all urban workplaces such as government agencies, factories, hospitals and schools” (Chen, 1992:15). As the “building block of Chinese (urban) society” the *danwei* functions in not only economic but also political and social ways (Butterfield.1982). It is a comprehensive entity that embodies the Chinese social-economic system and government policies; and therefore, its implications are complicated and extend far beyond the

workplace. Particularly, two aspects of the *danwei* should be highlighted here: the relationship between the *danwei* and its employees, and the type of ownership of the *danwei*.

### **The relationship between the *danwei* and its employees**

The *danwei* not only pays salaries to its employees but also is responsible for many personal matters of its employees. Usually, people ask what *danwei* you “belong to” when they come to know each other for the first time. In a certain sense, if you know someone’s work *danwei*, you can largely identify who they are. In many circumstances, people have to hold a letter of introduction from their *danwei* when they need to identify themselves to something/one outside their work unit. For example, a couple has to hold a *danwei* letter of introduction for a marriage registration. Before the system of residence identification card was established in the middle of 1980s, anyone who wanted to stay in a hotel or to buy plane tickets was required to show a letter of introduction from his/her *danwei*. Most employees live in the apartments assigned by their *danwei*. Many *Danwei* provide medical service, day-care service, and even canteens are often subsidised by the *danwei*. Even when an employee is involved in a lawsuit, the leader of his/her *danwei* would be asked to be present in court. No wonder many employees call their *danwei*, “our home”.

Under the *danwei* system, an egalitarian distribution principle is at work within a work unit. Although individual incomes have been differentiated since the economic reform, according to a recent study (Li, 1993), the income differences between various *Danwei* are much greater than that between individuals in the same *danwei*. This means that the level of an individual's income depends more on the *danwei* in which the person is working, than on the individual's abilities and contribution. Since most employees work in the same *danwei* for their lifetime, they acquire a "*danwei* status". That is to say, an employee's status is closely associated with the status of his/her *danwei*. There is also an organisational hierarchy within the *danwei* system. The higher the *danwei*'s status, the higher is its employees' social status (Lin & Bian, 1991; Li, 1993). Consequently, to enter a better *danwei* has become a goal in status achievement. The status of a *danwei* is determined by many variables such as ownership, functional division and authority that are legitimised by the government (Bian, 1990). Better *Danwei* offer more benefits to their employees while mediocre *Danwei* offer few. In addition, the Chinese urban social insurance system is based on high employment, high subsidy and low salary (Lin, 1994:55), which enforces the bond between the *danwei* and its employees.

### **The ownership of the *danwei***

In China, the nature of the ownership of the means of production is crucial to the nation's basic social system because of its economic and political implications. First of all,

the issue of ownership of the means of production represents a socialist doctrine. In its effort to eliminate private ownership and set up public ownership of the means of production, the communist government of China staged a large-scale “socialist transformation movement”<sup>7</sup> on the ownership of the means of production in agriculture and the craft industry and nationalised industrial and commercial enterprises in the mid-1950s. By the end of 1956, nearly all enterprises had been brought under the control of the state and the collectives. Public ownership had become dominant in the national economy. Meanwhile, a central-planning and budget system had been created, together with a rationing system for basic necessities (Christiansen, 1993). As far as the types of ownership of the *Danwei* were concerned, there were only two types: state-owned and collective-owned.<sup>8</sup> Besides Party and government departments, all *shiye Danwei* were state-owned. *Shiye danwei* refers to non-commercial institutions such as science and research institutions, education, culture and art, broadcast and television institutions, public health, physical education and social welfare institutions. These *Danwei* are largely supported by various

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<sup>7</sup> Included in this socialist transformation were the transformations of industry and commerce into joint state-private enterprise; of agriculture into People's Communes; and of handicrafts into handicraft co-operatives (Mao, 1977:382).

<sup>8</sup> State-owned *danwei* (work unit) refers to one whose formal ownership belongs to the people of China. In practice, it is owned and administered by either the central, provincial or county/city government. It used to be included in the mandatory plan and budget that was administered by each of these government levels. Collectively run enterprises are, in principle, owned by the workers of the collective, but in practice they are administered by towns or villages in rural areas and by neighborhood committees in urban areas (Lin, 1994:99).

levels of the government's budget (*Xinhua* Dictionary, 1980). With few exceptions, state-owned and collective-owned *Danwei* in urban areas hired their employees only through the Labour and Personnel Bureau of the local government.

During the period of the centrally-planned economy, almost every aspect of state-owned *Danwei* was superior to that of collective-owned *Danwei*. For example, state-owned enterprise *Danwei* were given priority for funding, equipment and recruitment of managerial and technical personnel. Working in a state-owned *danwei* implied owning an "iron rice bowl"; that is, employees in state-owned *Danwei* enjoyed a higher income, higher levels of job security, and better benefits than those working in collective-owned *Danwei* (Feng, 1993).

Whyte and Parish have summarised the differences in the employment and benefit standards in what was obviously a "dual market":

While workers in state-owned enterprises are paid according to fixed wage scales that are centrally determined and enjoy a wide range of fringe benefits, such as health insurance, paid maternity leave, subsidised pre-school care, retirement pensions, etc., in collective-owned enterprises some people receive monthly wages, others receive daily wages and others are paid piecework. Some workers in collective enterprises enjoy partial (benefits) and some collectives provide nothing at all but only pay for work done. (1984:31)

Due to these differences, people preferred jobs in state-owned *Danwei* such as state-owned enterprises, Party and government departments, and *shiye Danwei*. Many urban



collective enterprises irksome, demeaning, and without a “future”. Just as the Party Secretary of Heilongjiang Province complained in 1981: “Some people think that only working in state-owned enterprises is real employment, working in collective-owned enterprises is semi-employment and engaging in private and household occupations is no employment at all” (White, 1982 :625).

The economic reforms of the 1980s created a new situation in China. The centrally-planned economy is gradually being transformed into a “socialist market economy”. The “socialist market economy,” the term adopted at the 14th Congress of the Chinese Communist Party (CCP) in 1992, means coexistence of multiple ownership of the means of production in China (Beijing Review, 1992). Now, state-owned, collective-owned, privately-owned enterprises, individual entrepreneurs, and joint-ventures with foreign investors are allowed to co-exist in China.

In the process of the economic transition, non-state-owned enterprises operating outside of the state plan have developed rapidly as they are subject to less state control and enjoy more preferential policies, while the government has reduced special protection for state-owned enterprises (Christiansen, 1993). As far as the labour system is concerned, the non-planned sector is much more “market-oriented”. For example, the non-state enterprises have full autonomy in terms of hiring and firing employees. They may hire “black persons”

without either *dang'an*<sup>9</sup> (personal dossier) or *hukou* (household registration)<sup>10</sup>. They may also attract and keep high-qualified personnel with higher salaries or by promoting them more rapidly according to their performance without the limitation of an imposed promotion quota. In addition, they do not have to take up some of the employers' responsibilities of traditional *Danwei*, such as providing housing and child-care facilities. Otherwise, state-owned *Danwei* have to bargain their autonomy with their higher level administrative department. Due to the history of operating under the system of the planned economy for so many years, when confronted with the "market economy", many state-owned enterprises now lack flexibility and vitality. The economic efficiency in most state-owned enterprises has declined. The employees working in the state-owned *Danwei* feel a loss of the superior position that they used to enjoy. They now face the fact that not only do employees working in the *san-zi*<sup>11</sup> enterprises gain higher income, but even specialised individual households (*geti-hu*, referring to persons who are self-employed in cities) are

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<sup>9</sup> *Dang'an* is a confidential file about a person, recorded and kept by his/her *danwei* (work unit), which is a part of the personnel management system. An evidence of cadre status was recorded in individual *dang'an*. Beginning in high school, a *dang'an* is created for each citizen, noting his or her achievements and failures in school, and in subsequent employment. The record includes material directly related to educational and employment activities, as well as broader personal and political behavior. Individuals are not allowed to access their own *dang'an*.

<sup>10</sup> *Hukou* (household registration) is an individual's official residential record kept by the local Public Security Bureau. For details see section 1.3: "household registration system (*hukou*)."

<sup>11</sup> *San-zi* enterprises refer to enterprises with any of the following three sources of capital: sino-foreign joint-ventures, co-operation, and enterprises with sole foreign capital. *San-zi* enterprises began to emerge in Special Economic Zones in China after 1979.

becoming rich.<sup>12</sup> The job security in Party and government departments and *shiye danwei* has traditionally been higher than that in the other enterprises, but the salary is lower. For example, in my survey, there are significant income differences between *Danwei* with different types of ownership. In *Danwei* of public-owned ownership, more than 80 percent of employees' income drops under RMB 800 yuan per month, as compared to *san-zi* or privately owned enterprises where more than 80 percent of employees' income is above RMB 800 yuan per month. Since the late 1980s, *san-zi* enterprises have become more attractive for many young workers.

## 1.2 Job Allocation System

Parallel to the highly centralised planned-economy, China traditionally had in place a job allocation system for college/university graduates and urban high school graduates. Higher education was free before the middle of the 1980s. College/university graduates, further, obtain automatically state cadre status when they accepted their state-designated job assignments. In China, the urban labour force is divided into two groups: the cadre and the worker. State cadre status means a person is a member of the cadre establishment. There are

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<sup>12</sup> According to a national survey in 1991, per capita annual income in state-owned enterprises was RMB 2,637 yuan, which is RMB 1,400 less than per capita annual income (RMB 4,037 yuan) in *san-zi* enterprises. The survey also showed that 53.4 per cent of the employees working in state-owned enterprises thought that employees in *san-zi* enterprises had higher personal income than they should have, and that 12 per cent thought that it was too high. They had even stronger resentment against rich specialized individual households (*geti hu*) and thought their income was too high (Feng, 1993).

many distinctions between the two groups. Salary grades, fringe benefits (travel allowances, housing, pension), all are superior for the cadre, than those for the worker. The government is responsible for the state cadres and guarantees their employment, salaries and pensions. State cadres were managed by the local branch of the state Personnel Bureau, and workers were managed by the local branch of state Labour Bureau. Although Personnel Bureaus and Labour Bureaus were merged after the reorganisation of government departments in the middle of 1980s, the state cadre status system still exists.

The job allocation system in China was based on Mao Zedong's explanation of the Marxist idea that a labourer is not a commodity, but a national resource in a socialist society. People own the labour in society and labour produces social, rather than private, value. Therefore, "society requires that all its able-bodied members contribute their work ability to it and assigns them jobs commensurate with their abilities" (Xue, 1981:12). Derived from this notion, the policy that the training and use of intellectuals must be planned and managed by the state on a uniform basis was developed (Zhang, 1980).

Under the job allocation system, college/university graduates had the obligation to accept the state assignment in return for free post-secondary education. If a graduate did not conform to the job allocation, he/she would lose his/her state cadre status and would have great difficulty finding another job in any state-owned *danwei*. Even if they managed to find

employment, the record of not accepting a state allocation in their *dang'an* (personal dossier) would have a negative effect on their future.

In correspondence with the job allocation system, personnel management practised ownership of personnel by the *danwei* (work unit) and the system of transfer and placement for cadres. The ownership of personnel by the *danwei* refers to a dependent relationship between the employees and the *danwei*, which means the employees “belong to” their *danwei*. Once a person was assigned to a *danwei*, he/she would be “fixed” to that *danwei* unless an official transfer was made. Individuals had little power to initiate job changes. It was assumed that, in a socialist country, work organisations are in charge of the allocation, management, use and transfer of personnel according to “the demands of work” rather than individual needs or preferences. Any job change initiated by an individual would face a series of administrative and organisational barriers. For example, without the permission of the *danwei* employees could neither resign nor take out their *dang'an* (dossier) from the *danwei* to work elsewhere. Without the *dang'an*, a person becomes a “black person” and would not be hired by any *danwei* under public ownership. Therefore, an official transfer was the only way for a cadre to change jobs under the centrally-planned economy. Through

an official transfer, one could transfer all of the benefits - professional title, seniority,<sup>13</sup> and even an assigned apartment, and so on - from the previous work unit to the new one.

Under the job allocation system, the recruiting *danwei* also had no choice in the allocation decision. The majority of graduates were assigned, based on “the state plan”, to state-owned enterprises, *shiye danwei* and Party and government departments. This often resulted in overstaffing in certain *Danwei* because they had to accept all personnel assigned to them, regardless of whether or not they were needed. Nor did the *Danwei* have the authority to dismiss any employees. The end result was often “five people sharing the work of three” (China Daily, 1987). On the other hand, there was a shortage of personnel in some small and collective enterprises because college graduates were rarely assigned to them. In conclusion, there was a lack of flexibility to allow effective use of trained personnel under the job allocation system.

“Personnel mobility” became an important issue with the launching of the policies of economic reform in the 1980s. When enterprises outside the state sector such as enterprises with foreign-investment and village or town-owned enterprises in rural areas emerged, they needed a number of employees who had received post-secondary education. Under market demands, the control for personnel mobility began to be loosened. In the

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<sup>13</sup> Seniority starts on the first day of employment in a state-owned *danwei*. A person moving from a state-owned work unit to another may take his or her tenure to the new one. Pay raises and fringe benefits are based on total seniority accumulated throughout the state-owned sector. For details, see Peng, 1992.

early 1980s, “leaves of absence” became an acceptable means for personnel mobility in state-owned *Danwei*. For the person on leave, the position is reserved, but the salary is suspended (Lin, 1994:75). It needed a contract between the person and the *danwei* about the length of the leave and the fee for keeping the position. When the contract was due, the person was supposed to return to the *danwei*. Leave of absence, thus, gave workers in state-owned *Danwei* an opportunity for trying to seek employment in the “market”. If those on leave liked their new job and did not want to go back, they might resign after obtaining permission from the *danwei*. If the person did not return when the contract was due, the case became “leave the position by self.” Or if the person’s application for resignation was not approved, the case is also called “leave the position by self”. In the cases of “leaving the position by self”, the persons would not be allowed to take out their *dang’an* from the *danwei* and they would thus lose the state cadre status unless the receiving *danwei* rebuilds a new *dang’an* for them according to their college/university certificate.

In cases of resignation and “leaving the position by self,” the persons would be asked to return the apartment to the *danwei* if they lived in an apartment assigned by the *danwei*. In China, housing and housing subsidies have been a part of employees’ benefits provided by *Danwei* in the state-owned sector. There were few private apartments and even fewer public apartments for rent or sale before 1980. Although a number of apartments for

sale or rent have increased since 1980, most employees in state-owned *Danwei* still cannot afford to rent or buy one without a subsidy. Most non-state-owned work units pay relatively higher salaries instead of offering apartments to employees. However, because of the housing shortage and high prices there are still problems. Therefore, housing is one of major considerations for employees in state-owned *Danwei* who intend to change jobs by resignation or “leaving position by self.”

There are many disputes concerning personnel mobility in contemporary China. Settlement of these disputes often requires intervention or arbitration from a higher administrative department. Eventually, in the early 1980s, “increased choice and personnel mobility were still seen as a subsidiary method, a ‘complement’ to the planned allocation of skill labourers rather than an alternative” (White, 1982:630). There was no formal channel for personnel mobility except for official transfer and arrangement. There were still many constraints on the freedom of personnel mobility. The government was afraid that trends toward uneven development would be reinforced as talented people rushed towards big *danwei* and large cities with better conditions, while the small *Danwei* and remote areas would face a shortage of such people. In addition, the idea of personnel ownership by the *danwei* made many state-owned *Danwei* and departments unwilling to free up their personnel in spite of the fact that there were more people than jobs.



The development of the economic reform demands increased personnel mobility. To meet this challenge, a new system emerged. The first "Personnel Exchange Centre" was established in 1983 in Shenyang, a city in North-eastern China, to provide an alternative channel for professionals to change jobs or occupations. (Lin, 1994:49). Personnel Exchange Centres, a subsidiary body of the municipal Personnel Bureau, were established to deal with matters concerning personnel mobility outside of the planned system. These centres, however, served only a limited number of professions including various categories of science and technology personnel and managerial personnel. After the 14th Party Congress in 1992, the Personnel Exchange Centres were renamed Personnel Markets. During the 1990s, many non-government personnel exchange organisations and employment agencies, which serve as brokers between recruiters and job seekers, have begun to emerge. By 1994, over 2,000 Personnel Exchange institutions and nearly 1,400 Personal Markets were established in China (Lin, 1994:50). Some of these centres, managed by various levels of government, are authorised to arbitrate disputes concerning personnel mobility and to manage *dang'an* for personnel who move from a state-owned sector to a non-state-owned sector where no *dang'an* is required.<sup>14</sup>

On the other hand, a draft resolution on reforming state monopoly of job allocation for college graduates was put in practice in 1989. The new policies included "two-way

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<sup>14</sup> When one wants to get a job in or return to a state-owned *danwei*, the *dang'an* is still required (Fang and Li, 1994:24).

selection” and “choosing occupations by self within certain limitations (*zizhu zeye*)”.<sup>15</sup> The goal of this reform is that a personnel market system will gradually replace the old state job allocation system.

Meanwhile, in 1986 China initiated a tentative reform of the labour system. The reform focused on breaking, or at least cracking, the “iron rice bowl” in state-owned enterprises (Leung, 1994). One of the principal changes that occurred as a result of the reform was the elimination of the “permanent” worker category for all newly hired employees in state-owned enterprises. Beginning on October 1, 1986, all workers were to be employed on a contractual basis (Walder, 1989). A proposal that Party and government departments would carry out a civil servant system is only at the preliminary stage (Lam and Chan, 1996). *Shiye danwei* also began to sign contracts with new-comers. An employee would have been allowed to move to another *danwei* after the contract expired.

### **1.3 The *Hukou* (Household Registration) System**

The household registration system is the population management system which was established in the 1950s. It is a social control measure which controls population mobility not only from rural to urban, but also between different districts and cities. Every person has

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<sup>15</sup> The limitations include that students from certain remote and poor areas have to go back to their hometown and some key state departments and projects are guaranteed the supply of college graduates. (Help You to be Employed, 1993).

a registered record in the local Public Security Bureau of his/her family residence from birth. The registered record identifies two key points. The first point is the type of household - one was born into - either agriculture or non-agriculture. The second point is the location of one's official residence. These distinctions have acquired a legal meaning and structural importance that are of immense significance in China's social order. The system fixed people permanently in their places of registered residence on the basis of their birthplace, and could be changed only by official permission (Potter, 1983).

In terms of the first point, since there are significant socio-economic distinctions between rural and urban in China, the implication of the type of household one is registered into extends far beyond determining whether one's residence is in an urban or a rural area. It also determines one's eligibility to access government provisions of social services and benefits. With non-agricultural household registration, people are entitled to non-agricultural (urban) employment and the attending welfare benefits such as a subsidised apartment, medical services, and pensions (Cheng & Selden, 1994). Urbanites could also obtain a variety of coupons from the local government that allowed them to buy ration goods at government prices. By contrast, people with agricultural household registration had to obtain daily necessities from their own production or from stores at higher market prices. Those with rural registrations also never have guaranteed employment and usually work only in the agricultural sectors or township industries run by the local collectives.

Employment advertisements in cities usually require applicants to have an urban *hukou* (urban household registration).

Although several million peasant workers have entered the cities and found work in many industries such as construction, food and service in recent years, they are not eligible to access government provisions of social services and benefits reserved for urban residents - unless they get permanent urban registration. Peasants' children are not allowed to register in technical and vocational schools in the cities. Not surprisingly, the large gap between the two types of household registration has motivated many with agricultural household registration to change to a non-agricultural one and to try to move to urban places. However, changes in residence across administrative boundaries are strictly controlled by the government, especially if they involved a transfer from an agricultural to a non-agricultural household registration.

In terms of the second point, the household registration system also restricts mobility between cities and between regions. Economic development is unbalanced between cities and regions in contemporary China (Li, 1995). Large cities are obviously superior to medium and small cities in living conditions due to their different levels of development. Southeast coastal regions are richer than those inland, especially those in the Northwest regions. If urban residents want to change jobs which would involve moving from one city to another, they have to obtain permission from the Public Security Bureaus

of both the points of origin and destination. Without registering in the local household registration system, they cannot establish eligibility for anything that local government provides for local residents, such as grain subsidy, price subsidy, and so forth. Therefore, the household registration not only provides the principal basis for establishing identification, citizenship and proof of official status, it is also essential for every aspect of daily life. Moreover, state-owned work units do not accept anyone who does not have valid registration in the local household registration system.

Under the household registration system, residence became associated with sharply differentiated structures of socio-economic benefits, separating cities from the countryside. Generally, in every sphere, the city is privileged over the countryside, and urbanites over farmers (Yang, 1993; Cheng & Selden, 1994). Over more than four decades, the household registration system has come to largely determine the opportunities afforded urban and rural people, and also limits personal mobility between the various regions of China. "This system has essentially remained intact into the 1980s, and its imprint in important aspects continues even to the present" (Cheng & Selden, 1994:668).

Obviously, the three systems mentioned above are facing severe challenges and are gradually changing since the implementation of Deng Xiaoping's economic reforms. However, since these systems are all linked to both socialist doctrine and the state's mechanisms of social control, the government has been very prudent in reforming these

systems. The changes that have occurred over the past decades and a half, however, have had significant impacts on personnel mobility in the PRC.

## Chapter Two

### Conceptual Framework and Methodology

In this chapter, I will discuss both the conceptual framework of the study and describe the survey method that was employed.

#### 2.1 Conceptual Framework

In this study, a labor market segmentation approach was used to examine the emerging labor market in contemporary China. Many sociologists have used the approach to analyze the labor market in a developed market economy (Althausen & Kalleberg, 1981; Wallace & Kalleberg, 1981; Miller, 1982; Wanner & Lewis, 1983). This approach is based on the basic assumption that there are segmented labor markets corresponding to the two sectors of a dual economy: primary and secondary labor markets. Explanations for the origins of dual labor markets have relied on the differential ability of the sectors to maximize profits through the structuring of their labor processes (Krahn & Lowe, 1993). The segmentation perspective recognizes that the segmented labor markets have structural differences and inequalities. One of the key elements in the operation of the segmented labor market is the existence of barriers to mobility between the two labor markets.

Researchers have found that labor markets in countries with less developed economics can be divided into "modern" and "traditional" sectors corresponding to the

primary and secondary sectors in advanced economies (Form, 1979:8 - 10; Sullivan, 1981:330 -332). Both the divisions of “primary” and “secondary”, and that of “modern” and “traditional” labor markets are based on economic or market forces.

In China’s case, the emerging labor market is structurally segmented. However, here the segmentation is characterized by the differences in the ownership of work organizations. These differences are more administrative than economic. In other words, the differentiation is based on political considerations instead of market forces. The Chinese economy can be divided into two parts in terms of ownership: the state-owned sector and the non-state-owned sector. The state-owned sector includes Party & government departments, *shiye danwei* and state-owned enterprises. The non-state-owned sector before the economic reform, as described in Chapter One, refers mainly to the collective ownership including urban collective enterprises and rural People’s Communes, and now includes those outside the state plan and budget such as *san-zi*<sup>1</sup>, private and town-village enterprises. Since government policies about the two sectors are different, the mechanisms of the two labor markets operate in different ways. The labor market in the non-state-owned sector emerged only in the aftermath of the economic reform. In this sector, there is tremendous demand for educated labor and it is full of opportunities. Particularly, it is quite open in terms of entry and exit. There are few limitations to personnel mobility. Market forces play the main role in this sector.

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<sup>1</sup> For definition of the term, see note 10 in Chapter One.



Generally, in this sector, job security is lower and salaries are higher than that in the state-owned sector.

In contrast, the labor market in the state-owned sector is relatively closed, especially in Party and government departments (Lam and Chan, 1996). Some systems and policies such as cadre status and *dang'an* system block personnel's free access to and exit from jobs in this sector. Administrative mechanisms play the main role here. For instance, they allocate personnel, set wage rates and determine salaries based on the criteria set by the state. While the non-state-owned sector is short of qualified people, there is a surplus of personnel in the state-owned sector. The movement between the two labor markets is not symmetrical. There are relatively few barriers to move from the state-owned to the non-state-owned sector; however, to move the other way is quite difficult because of the personnel policies and systems of the state. It is in this intricate and unique structure that college-educated people (the personnel) make their career choices and travel their career paths.

Based on the pursuit of power, wealth, and knowledge respectively, three major career paths can be discerned. In the popular vernacular, they are metaphorically labeled the red, yellow, and black paths (Yang, J.S., 1994). Both the red path and black path are in the state-owned sector. The red path refers to being an official in the CCP or government departments. This choice is associated with prestige, power, higher benefits and certain special privileges<sup>2</sup>. These jobs are quite stable and almost guaranteed for life.

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<sup>2</sup> Some of these privileges include the use of vehicles of the work unit and the priority of getting better housing. For details, see Li, (1993) "Social stratification and mobility".

However, they offer relatively low salary levels and slow promotion through the bureaucracy. The black path refers to an academic career in universities or research institutions. This choice is characterized by both lower income and lower benefits but good job security. The popular description of this choice is to “climb the mountain”. The color black connotes hard work, low income and no bright future. The yellow path refers to entering the business world in the non-state-owned sector. This choice usually brings higher income, but no “iron rice bowl”; that is to say, job security is low. The popular description of this choice is to “jump into the sea”, which implies a lot of opportunities to make “big” money but with those opportunities come risks.

What are the factors that affect the patterns of personnel mobility? A cohort approach is used to examine the effect of these factors. The cohort perspective assigns primacy to sociohistorical factors rather than just birth cohort membership. In China, the rapid social change in the past few decades made cohort characteristics very striking, especially for university graduates. Under the job allocation system, state cadre status and the *dang'an* system, there are considerable limitations for personal freedom in terms of occupational choices and, therefore, the sociopolitical influence on personnel is very obvious. Sociohistorical events help to shape not only cohort experiences, but also cohort occupational values.

Cohort is defined here according to the year of graduation. There are four graduate cohorts: (1) the pre-1982 cohort; (2) the 1982 - 85 cohort; (3) the 1986 - 88 cohort; and (4) the post-1988 cohort. The different features of the graduate cohorts reflect

both the experience of socialization during university years and the impact of the change of educational and employment policies on them. It is assumed that cohort attributes affect their occupational choices and mobility.

## 2.2 Questionnaire Design

In 1993, I participated in a research project on the Operation Mechanisms of Dalian Personnel Market administered by the Personnel Bureau of the Dalian municipal government. I interviewed many employees with university degrees - the personnel - who attempted to change jobs or occupations in the Dalian Personnel Market (*Dalianshi Rencai Shichang*). Based on the insight and experience gained from participating in that project. I designed the questionnaire used in this research. It consists of 40 closed-category items and two open-ended questions. Thirteen items are about the individual background of the respondents. Six items concern factual matters, including means of finding employment and the channels used. Other items concern reasons for changing jobs and perceptions about occupational and social reality. Two items deal with personality traits which were assumed to have some relationship to personnel mobility.

The question about occupation is open-ended. According to my knowledge of China and the purpose of the research, the responses to occupation were coded into four types: officials, managers, professionals, and clerks.<sup>3</sup> The classification of the types of

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<sup>3</sup> Also, I referred to N. Lin & Xie's 1988 study on occupational prestige in China and Li's 1993 study on social stratification in China.

occupations here is to combine occupations with types of work units. In China, there are three types of work units in terms of the nature of function of the work unit: Party & government departments, *shiye danwei*, and enterprises. The departments of the CCP are almost as big as government departments.<sup>4</sup> The power of Party and government departments is dominant in China because of the long-term central planned economy and the system of combining the CCP and the government. *Shiye Danwei* are the most personnel-intensive units in China. Since they are mainly supported by the government budgets, jobs in these units are stable but wages are usually low. Generally work environments in *shiye Danwei* are better than that in the enterprises. Enterprises vary in ownership, sizes, salaries, fringe benefits and job security. Government policies on the reform of the personnel system differ in all three types of *danwei*: enterprises, Party and government departments, and *shiye Danwei* (Tang, 1994).

Officials were defined in this study as persons who work in Party or government departments including high ranking officials, as well as rank and file civil servants. Managers refer to those persons who work in enterprises including managers and engineers. Professionals are defined as persons who work in *shiye danwei* including professors, medical doctors, editors and so on. The rest of the occupations were classified as clerks, which include persons who work in *shiye danwei* or enterprises doing technical

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<sup>4</sup> In order to ensure the leadership of the Chinese Community of Party (CCP) in China, there are CCP departments paralleling the government departments at every level. In the inner organizations of the CCP departments, there are branches corresponding to the departments of government branches (Ogden, 1993:30).

or skilled jobs such as technicians. Managers and professionals are excluded from this category.

### 2.3 Sample Selection and Questionnaire Distribution

A total of four hundred and twenty eight questionnaires were distributed in five Chinese cities: Dalian, Beijing, Shenzhen, Changchun and Ruzhou. Of the four hundred and twenty eight, three hundred and sixty were returned representing a completion rate of 84.1%. The selection of the localities in which to distribute my questionnaire was made on the basis of combining geographical diversity with expedience. Dalian is one of the first 14 coastal cities which were opened to the outside world in March 1984. Since there are many state-owned large and medium-sized enterprises in Dalian, a great number of college /university graduates were assigned to this city every year under the job allocation system. Beijing is China's capital and the most important political, economic and cultural center in China. Graduates who were assigned to Beijing were usually regarded as being lucky. Shenzhen is adjacent to Hong Kong, and one of the five Special Economic Zones in China. It was the first trial area of *san-zi* enterprises in the People's Republic of China.<sup>5</sup> The majority of college/university graduates working in Shenzhen got their jobs by themselves, rather than by state allocation. Changchun and Ruzhou are inland cities. The former is a large provincial capital city in the northeast of China, and the latter is a

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<sup>5</sup> In 1979, four "Special Economic Zones" were demarcated as the "trial fields of the economic reforms". Preferential policies and many flexible regulations were set up to attract foreign capital investment (Ogden, 1993:25).

small city in central China. My colleagues working in these cities helped to distribute and collect the questionnaires.

As to the selection of the sample within these cities, two criteria were used: (1) the prospective respondents were college/university graduates and (2) the questionnaires were to be distributed to as many sectors in the economy as possible. Colleagues in the PRC distributed the questionnaires by their personal contacts. Therefore, the selection of the sample was not random.

Table 2.1 displays a distribution of respondents according to their major field of study, the type of occupations, and the type of work units.

**Table 2.1**      **Distribution of Respondents by Major, Type of Occupations, and Type of Work Units**

<b>Characteristics</b>	<b>Number of Cases</b>	<b>Percentage</b>	<b>Total (N)</b>
<b>Major</b>			<b>339</b>
Social Sciences & Humanities	88	27.1	
Natural Sciences	23	7.1	
Engineering	98	30.2	
Agriculture & Medicine	33	10.2	
Management	19	5.8	
Finance & Foreign Trade	34	10.5	
<b>Type of Occupations</b>			<b>312</b>
Officials	67	21.5	
Managers	63	20.2	
Professionals	49	15.7	
Clerks	133	42.6	
<b>Type of Work Units</b>			<b>356</b>
Party or Government	71	19.9	
<i>Shiye Danwei</i>	102	28.7	
Enterprises	183	51.4	

Note: Percentage may not total to 100.0 due to rounding errors.

## 2.4 Implications for Analysis

In the People's Republic of China, an understanding and acceptance of the survey method only began after the open-door policy in the 1980s. Conditions for survey research are still far from ideal. Since respondents are often doubtful about the stated purposes of surveys, as they may be apprehensive about the consequences of complete and truthful responses.<sup>6</sup> To reduce the effect, I stressed in the cover letter of the questionnaire that this was an academic research project, and that all responses would be confidential. As well, I used unofficial channels to distribute the questionnaires.

Generally speaking, in survey research, the idea is to use data obtained from a sample to generalize to a population. Probability sampling offers assurances that a large enough sample will be representative of the population, reflecting its similarities and differences sufficiently reliable. Since the size of the population in this survey is unknown to me, it is clear that I cannot presume the features of the sample to be in any sense representative of the population of interest. However, as indicated by Manion (1994:765), if the sample is sufficiently varied along the dimensions of analytical interest, and if cases in each of these dimensions are sufficiently numerous, it is not inappropriate to make some generalizations about the larger population. Manion also pointed out that if the survey research and statistical analysis are handled appropriately, the biggest debates

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<sup>6</sup> Many surveys conducted in China distributed questionnaires by administrative or organizational channels, such as unions, women's association, or the Communist Youth League. Because of the state's involvement many people do not believe that surveys are really anonymous (Manion, 1994).

about findings from a local sample will not turn on methodological questions *per se*, but on questions of good judgment.

Although I cannot generalize the findings with full confidence, the fact that the sample was drawn from five different cities, widely distributed geographically and with varying levels of economic development, indicates that perhaps the data reasonably represents the population. In addition, I also collected information from other resources such as other surveys, interviews and publications in order to verify the reliability and validity of the survey results. Importantly, since I used to be a member of the personnel under study, the knowledge and judgment drawn on my life experience may help me to better understand and explain the implications underlying the responses and statistical figures. Furthermore, familiarity with this topic helps me to evaluate the appropriate scope of the findings.



## **Chapter Three**

### **Data Analysis and Major Findings**

The survey data were entered in SPSS (Statistical Package for the Social Sciences) for analysis. This chapter will describe the basic characteristics of the sample first, then introduce the main findings from the data analysis in five aspects: (1) the channels of initial employment; (2) reasons for job changes; (3) occupational types and occupational preferences; (4) channels and ways of changing jobs; and (5) views toward the job market in contemporary China.

#### **3.1 Description of the Sample**

The sample consists of 360 college/university graduates in the People's Republic of China including 200 males and 157 females (information on gender is missing for three cases). The largest part of the sample (52 %) is represented by the youngest respondents who are aged 30 and under. Within this youngest age group, 31 per cent are ages 26 to 30 years old and 21 per cent are age 25 and younger. The sample has 237 persons (66%) who are married. Over half (55 %) have at least one child. The sample may be divided into four graduate cohorts according to the year of graduation. There are 91 persons or 25 per cent of the sample who graduated from college/university before 1982. The respondents who graduated between 1982 - 1985 totaled 57 or 16 per cent. The 1986-88 graduate cohort has 55 persons or 15 per cent. The respondents who graduated

between 1989 - 94 totaled 157 or 44 per cent making up the largest part of the sample in this survey. Table 3.1 illustrates background characteristics of the respondents in terms of gender, age, marital status, children and year of graduation.

**Table 3.1 Background Characteristics of the Respondents**

Characteristic	Number of Cases	Percentage ( %)	Total (N)
<b>Sex</b>			357
Male	200	56	
Female	157	44	
<b>Age in 1995</b>			360
Under 25	75	21	
26 - 30	111	31	
31 - 35	68	19	
36 - 40	47	13	
41 - 45	26	7	
over 45	33	9	
<b>Marital Status</b>			357
Single	113	32	
Married	237	66	
Other (divorced, Separated, widowed)	7	2	
<b>If Have Children</b>			357
Have Children	195	55	
Have No Children	162	45	
<b>Year of Graduation</b>			360
Pre-1982	91	25	
1982-85	57	16	
1986-88	55	15	
post-1988	157	44	

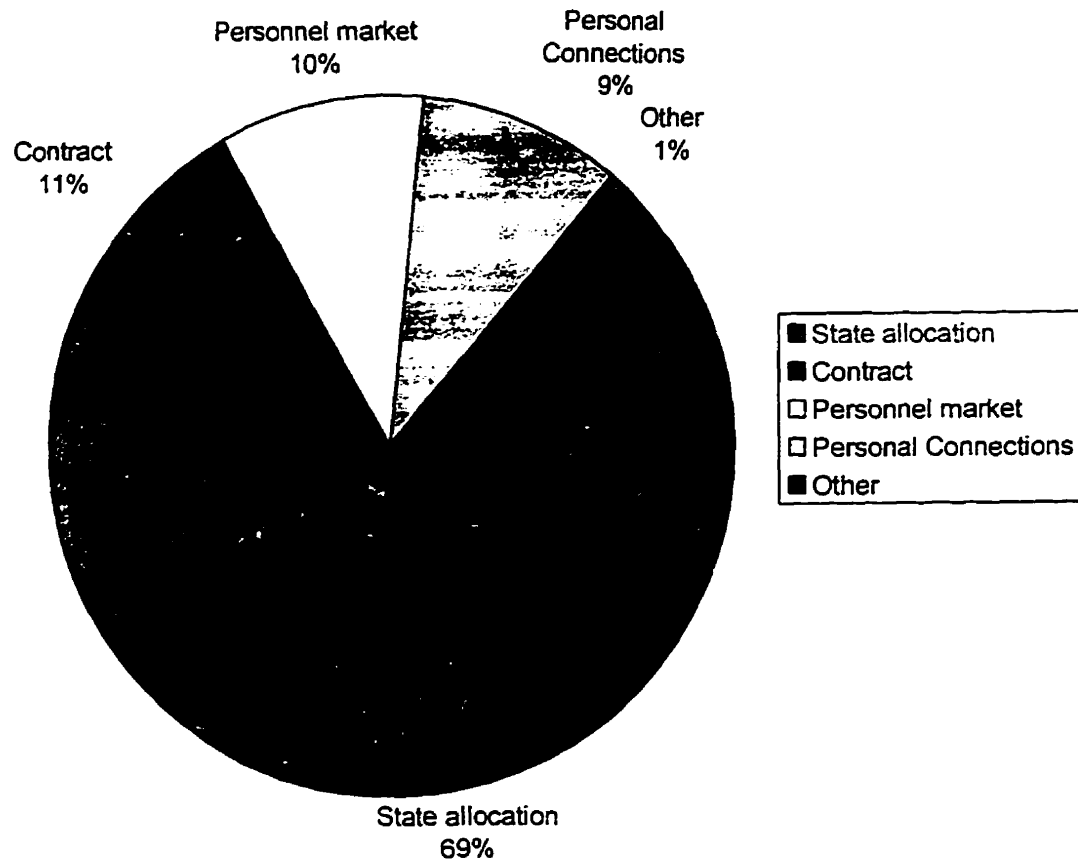
Note: Percentage may not total to 100.00 due to rounding errors.

## 3.2 Analysis of Data

### 3.2.1 The Channels of Initial Employment

As mentioned in Chapter One, employment of college graduates has been mainly state allocated in China since the 1950s. In this sample, 233 of 339 (69%) respondents got

Chart 3.1 Channels of Initial Employment

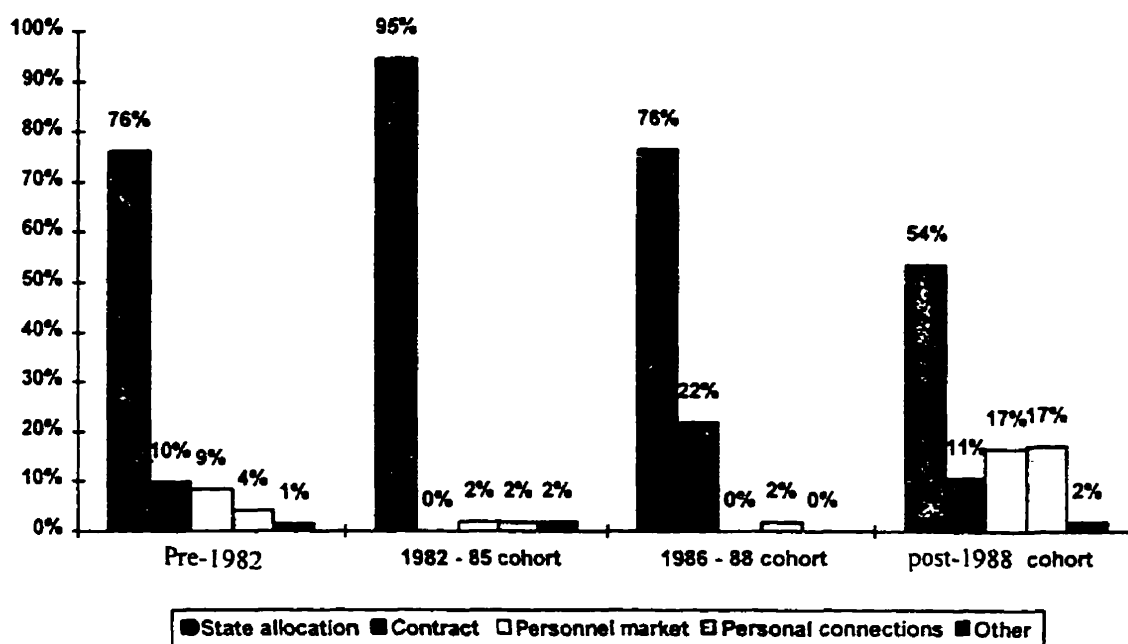


N = 339

their first jobs by state allocation. The rest obtained their first jobs through a variety of other channels: contract<sup>1</sup> (11%), the personnel market (10%), personal connections<sup>2</sup> (9%) and other channels (1%) (See Chart 3.1).

However, the percentages vary greatly among the four graduate cohorts. As shown in Chart 3.2, 76% of college/university graduates before 1988 got their first jobs

**Chart 3.2** Percentage of Individuals, Grouped by Year of Graduation, Showing the Ways by Which First Employment Was Obtained



Note: Percentage may not total to 100.00 due to rounding errors.

<sup>1</sup> Students signed contracts with the work units before they went to colleges/universities. They get financial support from the contracted work units during the period of their education, and therefore they are supposed to work for the work units after graduation.

<sup>2</sup> In this study, personal connections include parents, relatives, friends and classmates.

by state allocation. The percentage of graduates allocated by the state reached as high as 95% in the 1982-85 graduate cohort, while the percentage dropped to 54% after 1988. Meanwhile, 17% respondents in the post-1988 graduate cohort obtained their first jobs by the personnel market.

It is interesting that the percentage who found their first jobs by personal connections increased markedly in the post-1988 cohort, while the proportion of state allocation dropped down. It can be seen in Chart 3.2 that the proportion of personal connections accounts for 4% in the pre-1982 cohort, only 2% in both the 1982-85 and 1986 -88 cohorts, and rose to 17% in the post-1988 cohort. It reveals that individuals who applied for jobs through an individual search use more personal contacts than those who were assigned jobs directly by the state. The reason for this is probably the fact that searching for jobs by themselves was officially permitted at that time; thus, the use of the personal contacts became more legitimate.

It may be anticipated that the way in which the first employment was obtained would have some implications on graduates' job mobility in the future. Those who got their first employment by state allocation would be deprived of the experiences of actually searching for a job.

### **3.2.2 Reasons for Changing Jobs**

Respondents were asked whether they had changed their jobs. Nearly half (169 persons) of the sample reported that they had changed their jobs at least once. Of the



arrangement,”<sup>3</sup> and “was not interested in my previous job”. In the second choice, the top three answers were “previous job offered no opportunity to develop my abilities”, “previous job paid low wages,” and “was not interested in my previous job.” In the third choice, the top three answers were “previous job paid low wages”, “try to prove my abilities,” and “my personality did not match the job.”

It should be noted that there is clear gender distinction in the determining factors for their job changes. The order of the first three choices for males is “complying with organizational arrangement,” “no opportunity to develop my abilities,” and “low wages”, respectively. For females, the same proportions of respondents chose “no opportunity to develop my abilities” as their first and second choice, and the third was “to try to prove my abilities.”

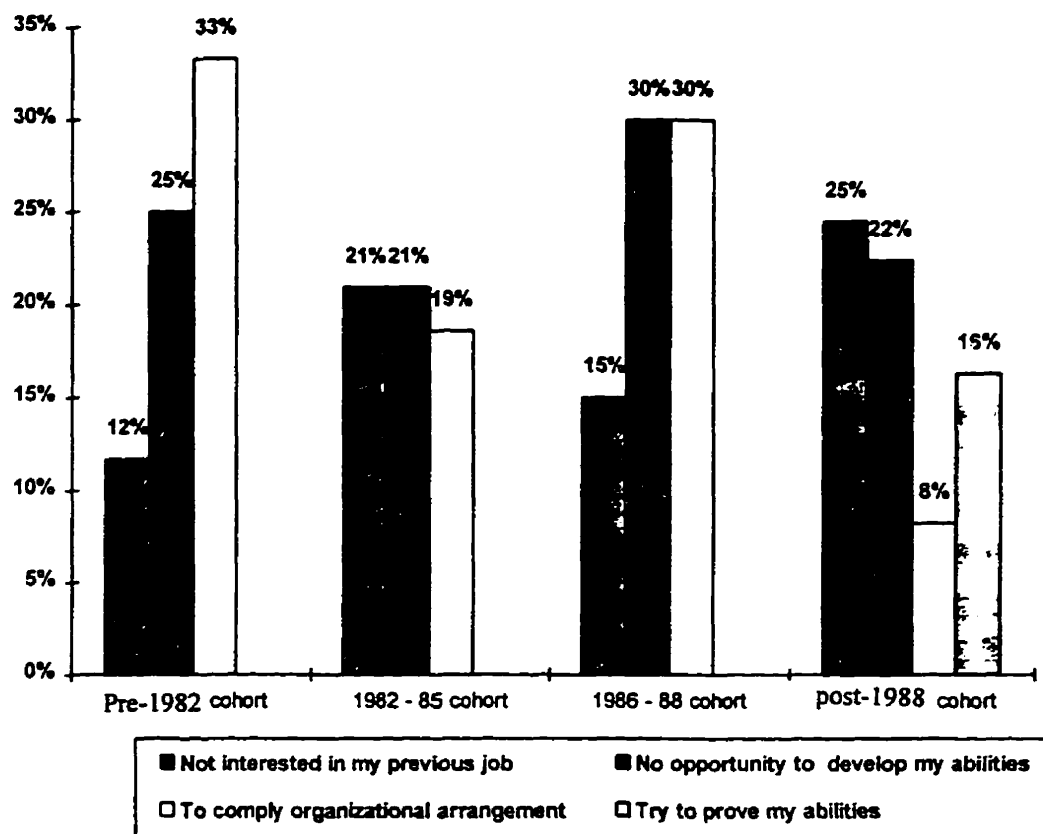
Why is there such a distinct difference between the males and females in terms of the factors which determined the job changes? Superficially, the results seem to indicate that males put less emphasis than females on opportunities for individual development, but a closer examination makes one realize that this is not the case. Under the system of personnel management in China, “organizational arrangement” often means to give someone a promotion, or put someone in an important position. Men are more likely than women to get the opportunities of “organizational arrangement.” Thus, organizational arrangement became the primary factor for job changes among the males.

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<sup>3</sup> “Complying with organizational arrangement” in China means that the job change is initiated by the work unit instead of the individual. For details, see section 1.2 “Job allocation system” in Chapter One.

There are other interesting findings according to the top three choices by the four graduate cohorts. Chart 3.3 shows that “no opportunity to develop my abilities” and “not interested in my previous job” are common reasons in all four cohorts. The former

**Chart 3.3 The Reasons for Changing Jobs Answered by Cohorts**



Note: For the sake of clarity, only the top three choices in the four cohorts are shown.

accounts for 25% in the pre-1982 cohort, 20.9% in the 1982-85 cohort, 30% in the 1986-88 cohort, and 22.4% in the post-1988 cohort. However, the latter, for the post-1988



cohort, is rated the first and accounts for 25%; for the pre-1982 cohort, the proportion is the lowest and accounts for only 12%. In addition, while the proportion of “complying with organizational arrangement” accounts for 33% in the pre-1982 cohort, 19% in the 1982-85 cohort, and 30% in the 1986-88 cohort respectively, it accounts for only 8% in the post-1988 cohort. Instead, the post-1988 cohort rated “try to prove my abilities” as the reasons for changing jobs accounting for 16%.

### 3.2.3 Occupational Types and Occupational Preferences

Table 3.3 shows the differences of occupational type of the four cohorts. The proportion who are clerks<sup>4</sup> is the highest in all but the 1982-85 cohort. The proportions in the 1982-85 cohorts who are officials<sup>5</sup> (39.2%) and managers<sup>6</sup> (31.4%) are obviously higher, compared to the other three time periods. The proportions of persons who work in the enterprises increase markedly in the two cohorts after 1986. They total 60.5% (clerk: 34.9%; managers: 25.6%) in the 1986-88 cohort. It reaches 75.0% (clerks: 58.3%; managers: 16.7%) in the post-1988 cohort. The proportion who are professionals is approximately 20% in the pre-1982 (21.6%) and the 1982-85 cohorts (19.6%); however,

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<sup>4</sup> Clerk refers to personnel with low ranks who work in the enterprises or *shiye danwei*. Please see section 2.2: “Questionnaire Design” in Chapter Two for the definition and classification of clerks in this study.

<sup>5</sup> Official refers to personnel who work in Party or government departments. Please see section 2.2 “Questionnaire Design” in Chapter Two for the definition and classification of officials in this study.

<sup>6</sup> Manager refers to personnel with administrative titles who work in enterprises or *shiye danwei*. Please see section 2.2 “Questionnaire Design” in Chapter Two for the definition and classification of managers in this study.

it drops down in the 1986-88 and post-1988 cohorts, especially in the latter where it accounts for only 11.1%. The distribution of occupational types in the cohorts reflects the

**Table 3.3 Type of Occupations by Cohort**

Type of Occupations	Year of Graduation			
	Pre-1982 %	1982-85 %	1986-88 %	Post-1988 %
Clerks	39.2	9.8	34.9	58.3
Officials	23.0	39.2	23.3	13.9
Managers	16.2	31.4	25.6	16.7
Professionals	21.6	19.6	16.3	11.1
Total	100.0 (n=74)	100.0 (n=51)	100.0 (n=43)	100.0 (n=144)

Note: Percentage may not total to 100.00 due to rounding errors.

features of job allocation policies, changes in China's economic structures and the prevailing ideas in different historical periods which I shall discuss in Chapter Four.

There are two variables concerning family background in the questionnaire: father's education and parents' registered residence. In order to explore the influence of family background on a person's occupation in China, this study examined the relationships: between father's education and child's occupational types; between the parents' registered residence and the child's occupational types; and between the father's education and child's occupational preferences. Table 3.4 shows when the father's education is high (high school graduation and higher), the percentage of respondents working as a clerk in enterprises or *shiye danwei* is high (45.1% and 54.6%, respectively).

compared to less than 35% when the father's education is low; and when the father's education is low (illiterate or only elementary and junior high), the proportion of respondents working as an official in Party or government departments is high (28.6% and 29.8%, respectively), compared to less than 10% with highly educated father. The education level of a person's father appears to have a slight effect on the managers and professionals.

**Table 3.4** Type of Occupations by Father's Education

Type of occupations	Father's Education			
	Illiterate %	Elementary & Junior %	High School %	University or higher %
Clerks	23.8	34.7	45.1	54.6
Officials	28.6	29.8	22.5	9.3
Managers	28.6	20.7	16.9	19.6
Professionals	19.0	14.9	15.5	16.5
Total	100.0 (n=23)	100.0 (n=141)	100.0 (n=85)	100.0 (n=109)

Note: Percentage may not total to 100.00 due to rounding errors.

The Chinese household registration system strictly controls migration from rural to urban areas. Because of the advantages enjoyed by urban residents over their rural counterparts, parents' registered residence in terms of urban or rural areas is an important family background factor and has a great effect on the child's occupational type. In Table 3.5, it appears that the persons whose parents' registered residence is in rural areas seem

more likely to have jobs as officials in Party or government departments (40%) than those whose parents are in urban areas (16.5%). The latter are more likely to have jobs as clerks in enterprises or *shiye danwei* (47.3% versus 23% of rural respondents). Both of these patterns of the effect of family background on the child's type of occupation seem to be quite different from what appears to be the case in North America (Chen & Regan, 1985:46). I shall discuss the reasons in detail in Chapter Four.

**Table 3.5** Type of Occupations by Parents' Registered Residence

Type of Occupations	Parents' Registered Residence		
	Urban %	Rural %	Urban & Rural* %
Clerks	47.3	23.3	50.0
Officials	16.5	40.0	50.0
Managers	20.2	20.0	0.0
Professionals	16.0	16.7	0.0
Total	100.0 (n=279)	100.0 (n=68)	100.0 (n=8)

Note: Percentage may not total to 100.00 due to rounding errors.

\* "Urban and rural" refers to cases where the two parents have different registered residence.

To estimate occupational preference, respondents were asked: "If you were given an opportunity to choose freely, without limitation, which occupational path would you pursue?" The alternatives are a career in Party or government departments, *shiye danwei*, state-owned enterprises, non-state-owned enterprises, own my own business and other. The ranking of the preferences is as the following: "own my own business" (43.1%).

“Party or government departments”(15.6%), “non-state-owned enterprises”(14.7 %), “universities or research institutes”(11.0 %), and lastly, state-owned enterprises (5.7 %). “Other” accounts for 10.0%. Eight respondents specified on their questionnaires that they would like to study abroad. The rest only checked the item “other”.

Table 3.6 shows that “own my own business” was rated the first by all cohorts (40.7% in the pre-1982 cohort; 46.8% in the 1982-85 cohort; 35.4% in the 1986-88 cohort and 45.2% in the post-1988 cohort). It is a “dream” shared by workers in other industrial societies. For example, according to the finding of a work ethic survey and a job satisfaction survey in Canada, working for one’s self was most attractive (Burstein, Tienhaara, Phewson, and Warrander, 1975:42).

Clear differences in the four cohorts appear in the other choices. The number of people who prefer to work in Party and government departments decreases markedly after 1989. The proportion in the pre-1982 cohort is 22.1%, 17.7% in the 1982-85 cohort, 25% in the 1986-88 cohort and only 8.3% in the post-1988 cohort. Secondly, the number of people who would like to go on an academic path also declines after 1986. The proportion is 14.0% in the pre-1982 cohort, 16.1% in the 1982-85 cohort, and it drops to below 10% in the two youngest cohorts (6.3% in the 1986-88 cohort and 8.9% in the post-1988 cohort). Thirdly, the state-owned enterprises have lost their attraction for all cohorts to varying degrees. The lowest proportions in all cohorts chose state-owned enterprises. They are chosen by 8.1% in the pre-1982 cohort and the 1982-85 cohort, and only 3.2% and 3.8% in the 1986-88 and the post-1988 cohorts respectively. In contrast

with state-owned enterprises, *san-zi* enterprises have great appeal to the cohorts after 1986. They are chosen by 9.3% in the pre-1982 cohort, 3.2% in the 1982-85 cohort, 16.7% in the 1986-88 cohort, and 21.7% in the post-1988 cohort. Finally, it should be noted that over 10% in the two cohorts of the 1986-88 and post-1988 (12.5% in the 1986-88 cohort and 12.1% in the post-1988 cohort respectively) chose "other."

**Table 3.6 Occupational preference by Cohort**

Occupational Preference	Year of Graduation			
	Pre-1982 %	1982-85 %	1986-88 %	Post-1988 %
Party & government departments	22.1	17.7	25.0	8.3
Universities & research institute	14.0	16.1	6.3	8.9
State-owned enterprises	8.1	8.1	3.2	3.8
Non-stated-owned enterprises	9.3	3.2	16.7	21.7
Own my own business	40.7	46.8	35.4	45.2
Other	5.8	8.1	12.5	12.1
Total	100.0 (n=86)	100.0 (n=57)	100.0 (n=53)	100.0 (n=157)

Note: Percentage may not total to 100.00 due to rounding errors.

Is there any effect of father's education on the child's occupational preference? Examining the responses to the respondents' father's education, it demonstrates: (1) that to "own my own business" held the greatest appeal for the respondents no matter what father's education level is (elementary & junior: 47.4%; high school: 44.7%; university or higher: 37.7%) with the exception of those persons whose fathers are listed as illiterate (30.4%). The latter group seems more likely to prefer jobs in Party and government

departments (34.8%); (2) as father's education increased, the proportion who like to work in Party and government was gradually declining. It was the highest (38.4%) in the group with illiterate fathers, the second (17.5%) in the group of fathers with elementary & junior high education, the third (13.1%) in the group of fathers with high school education, and the fourth (10.4%) in the group of fathers with university or higher education; (3) that State-owned enterprises seem to be more attractive than non-state-owned ones to the people with illiterate fathers (17.4% vs. 8.7%), and non-state-owned

**Table 3.7 Occupational Preference by Father's Education**

Occupational Preference	Illiterate %	Father's Education		
		Elementary & Junior high %	High school %	University or higher %
Party & government departments	34.8	17.5	13.1	10.4
Universities & research institutes	8.7	10.9	8.2	13.2
State-owned enterprises	17.4	5.8	2.4	5.7
Non-stated-owned enterprises	8.7	10.2	22.4	16.0
Own my own business	30.4	47.4	44.7	37.7
Other	0.0	8.0	8.2	16.0
Total	100.0 (n=23)	100.0 (n=141)	100.0 (n=85)	100.0 (n=109)

Note: Percentage may not total to 100.00 due to rounding errors.

enterprises appear to be more attractive than that non-state-owned ones to the other three ( elementary & Junior: 10.2% vs. 5.8%; high school: 22.4% vs. 2.4%; university or higher: 16.0% vs. 5.7%); (4) lastly, that quite a large proportion (16.0 %) chose "other" in the group whose fathers' level of education is post-secondary (See Table 3.7).

The reasons for the respondents' occupational preferences were also explored in this study. Respondents were asked whether they made this choice mostly because (1) of

**Table 3.8 Reasons for Occupational Preference by Cohort**

Reasons for Occupational Preference	Year of Graduation			
	Pre-1982 %	1982-85 %	1986-88 %	Post-1988 %
More opportunities to develop	24.7	44.4	40.0	41.2
Were interested in	32.9	33.3	27.3	26.1
Job security	25.9	9.3	25.5	8.5
Higher salary	11.8	7.4	3.6	18.8
Better benefits	2.4	3.7	0.0	1.3
Higher social prestige	0.0	0.0	1.8	2.0
Other	2.4	1.9	1.8	2.6
Total	100.0 (n=86)	100.0 (n=57)	100.0 (n=53)	100.0 (n=157)

Note: percentage may not total to 100.0 due to rounding errors.

opportunities to develop individual abilities; (2) personal interested; (3) job security; (4) higher income; (5) better benefits, or (6) higher social prestige. The top three choices in descending order were: opportunities to develop individual abilities (37.5 %), interested (29.1 %), and job security (15.6 %).

There are variations in the ranking, however, when the four cohorts are considered separately. The results are shown in Table 3.8. Three cohorts rated "more opportunities to develop" as the first reason (44.4% in the 1982-85 cohort, 40% in the 1986-88 cohort and 41.2% in the post-1988 cohort) while the pre-1982 cohort rated as their first reason "interested in it" (32.9 %). It can also be seen that the two younger cohorts, the 1986-88



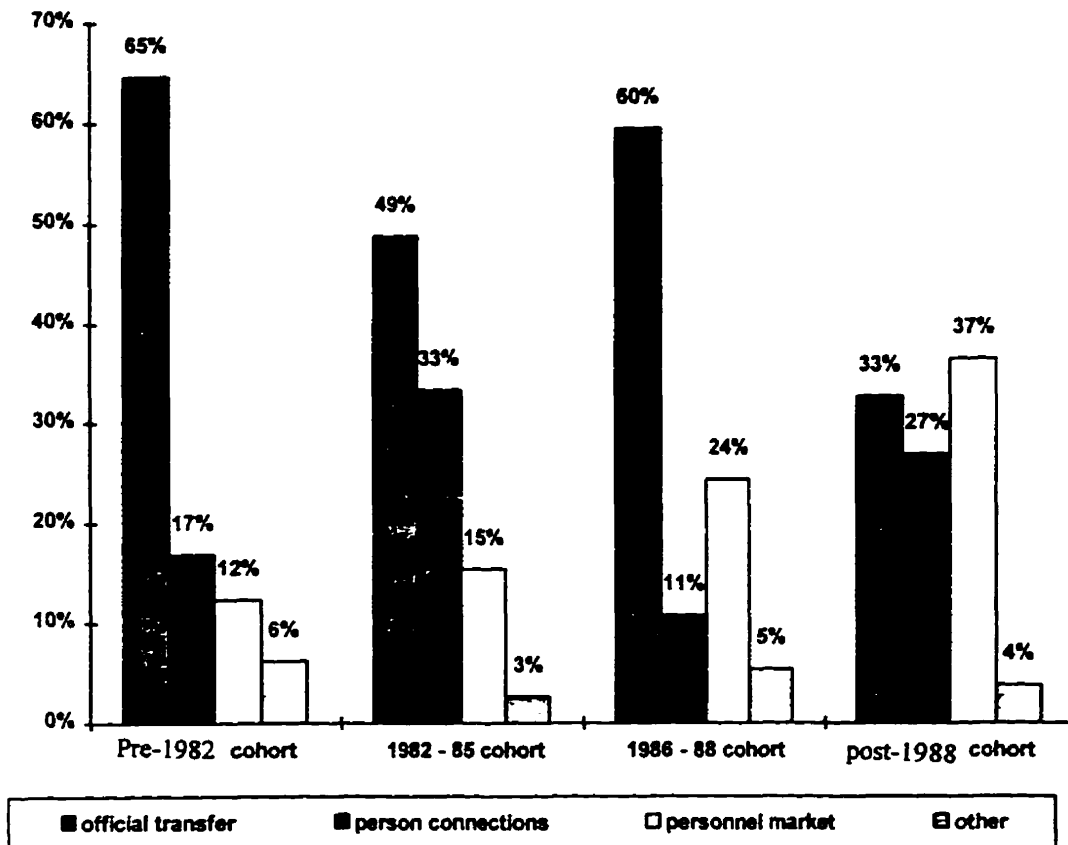
and the post-1988, show considerable differences in rating “job security” and “higher salary” although they are closer in age. The 1986-88 cohort seems to stress job security more than the post-1988 (25.5% vs. 8.5%). Whereas, the post-1988 cohort stresses higher salary much more than the 1986-88 cohort (18.8% vs. 3.6%). I shall discuss the reason for this in Chapter Four.

In addition, it should be noted that social prestige is not rated at all by the two older cohorts and is rated very low by the two younger cohorts (1.8% in the 1986 -88 and 2% in the post-1988, respectively). One reason for this probably is the respondents’ realization that their choices and ideas conform to neither traditional nor “orthodox” criteria. Therefore, they intended to “ignore” occupational prestige.

#### **3.2.4 Channels and Ways of Changing Jobs**

As mentioned in Chapter One, official transfer or organizational arrangement was almost the only channel for changing jobs during the period of the solely centrally planned economy. With the development of a market economy, however, the situation is changing. In this sample, more than half (51.8%) of those who had changed jobs moved by the channel of official transfer, compared to 21.8% by personnel market, and 21.8% by personal connections. To further examine it by the four cohorts, as shown in Chart 3.4, the proportion that changed jobs by personnel market (37%) exceeds that by official transfer (33%) in the post-1988 cohort. It should also be noted that the percentage that changed jobs by personal connections in the 1982-85 cohort (33%) is obviously higher than the other cohorts.

Chart 3.4. Channels for Changing Jobs by Cohort



Note: percentage may not total to 100.0 due to rounding errors.

These patterns seem to indicate that the 1982-85 cohort had more social connections and was able to take advantage of these connections as personal resources. In China, officials usually have more occupational privileges and social connections than any other occupational group. As shown in Table 3.3, the proportion of official in this cohort is as high as 39.2%. Meanwhile, the respondents had strong realization of the

importance of social connections. In answering the question regarding the “importance of social connections for getting good jobs”, 65.4% of the 1982-85 cohort rated it as the most important. A sizable number of respondents from the other three cohorts also rated it as the most important: 51.9 % in the pre-1982, 44.4 % in the 1986-88 and 39.7% in the post-1988 cohorts, respectively. Although a higher proportion (26.9%) in the post-1988 cohort changed jobs by personal connections, they ranked the social connections as the most important channel relatively lower. The reasons for this is probably due to the availability of the other channels, particularly the personnel market. As a matter of fact, quite a few found or changed their jobs by using the personnel market. This gave them more confidence in themselves, because finding jobs through the personnel market is based on personal abilities, while getting a position through social connections is a manifestation of personal favors.

As far as the ways of leaving a job are concerned, out of the whole sample, there were 18 cases of job changes by “way of leaving the position by self”, 20 cases of resignation and 16 cases of “leave of absence” (See definitions in section 1.2, above). However, the post-1988 cohort alone accounts for 38.9% of leaving the position by self, 66% of resignations, and 44 % of leave of absence. The reason for this is partly because the post-1988 cohort is younger and has fewer family responsibilities than the older cohorts, and partially because of the effect of their first employment: many of them had the experience of Personnel market, which gave them more self-confidence.

The survey data also show that the channels and ways that individuals changed their jobs are closely related to both the type of the work unit (Party & government departments, *shiye danwei* and enterprises) and the type of ownership of the work unit (state-owned and non-state-owned).

**Table 3.9 Channel for Changing Jobs by the Type of Work Units**

Channel for Changing Jobs	Type of Work Units		
	Party & Government %	<i>Shiye Danwei</i> %	Enterprises %
Organizational Arrangement	69.2	77.8	30.2
Personal Connections	15.4	13.3	29.0
Personnel Market	9.6	4.4	36.5
Other	5.8	4.4	3.2
Total	100.0 (n=52)	100.0 (n=45)	100.0 (n=96)

Note: percentage may not total to 100.0 due to rounding errors.

As can be seen in Table 3.9, more people (36.5% versus 9.6% and 4.4%) obtained their jobs in enterprises through the personnel market while more people (69.2% and 77.8% versus 30.2%) obtained jobs in Party or the government departments and *shiye danwei* by organizational arrangement.

If we examine the channels of obtaining jobs by the type of ownership of work unit, it becomes clear that the type of ownership of work unit have a strong effect on the channels of obtaining jobs. Table 3.10 reveals that nearly two-thirds (65%) in state-owned work units obtained their jobs through the channel of organizational arrangement, compared to 8.9% in non-state-owned work units. Almost the same proportion (66.7%) in

non-state-owned work units got their jobs by the personnel market, compared to 7.7% of those in state-owned work units. The following facts probably account for these patterns:

**Table 3.10 The Channel of Changing Jobs by Type of Ownership of Work Unit**

Channel of Changing jobs	Type of Ownership of Work Units	
	State-Owned %	Non-State-Owned %
Organizational Arrangement	65.0	8.9
Personnel Market	7.7	66.7
Personal Connections	22.4	20.0
Other	4.9	4.4
Total	100.0 (n=123)	100.0 (n=46)

Note: percentage may not total to 100.0 due to rounding errors.

*san-zi* and privately-owned enterprises, which appeared during the economic reforms, have to recruit their employees from the personnel market because they do not have state-allocated college graduates. On the other hand, since the channel of state allocation was guaranteed for Party & government departments, the state-owned enterprises, and *shiye danwei*, they are not motivated to recruit new employees from the personnel market, nor do they have room to do so, as most of these work units are already over-staffed.

The type of ownership of work unit have also a strong effect on the ways of leaving one's work unit. In Table 3.11, type of ownership refers to that of the present work units of the respondents. Ways of leaving refers to the ways that the respondents

left their previous work units in terms of official transfer, leaving position by self, resignation, and leave of absence.

**Table 3.11 The Ways of Leaving by Type of Ownership of Work Unit**

Ways of Leaving	Type of Ownership of Work Units	
	State-Owned %	Non-State-Owned %
Official Transfer	79.0	13.3
Left position by Self	7.3	20.0
Resignation	2.4	35.6
Leave of Absence	3.2	26.7
Other	8.1	4.4
Total	100.0 (n=123)	100.0 (n=46)

Note: percentage may not total to 100.0 due to rounding errors.

Table 3.11 shows that only 13.3% left their previous work units by official transfer in non-state-owned work units. By comparison, nearly four fifths (79.0%) in state-owned work units did so by official transfer. Meanwhile, over one third (35.6 %) of people in non-state-owned work units left their previous work units by resignation, 26.7% by leave of absence and 20% by “leaving the position by self”. These compared to 2.4%, 3.2% and 8.1% respondents in state-owned units. This pattern indicates that non-state-owned work units have a much more flexible system of job entrance and exit than do state-owned work units, which was favorable for personnel mobility.

### 3.2.5 Views toward the Job Market in Current China

In order to explore the respondents' general views toward the job market in contemporary China, which were assumed to have an effect on personal behavior of occupational choice, the following questions were asked: "In your opinion, which of the following occupational paths is the best in China currently? Why do you think it is the best path?" The three alternatives are: the academic, business, and being a CCP or government official.<sup>7</sup> Over half (64%) of those surveyed thought that to pursue a career in business is the best path in contemporary China. The following four statements summarize the reasons given for such a choice:

- "Doing business might make more money."
- "Although doing business involves certain risk, it is an incentive. It makes you excited and pushes you to pursue higher targets."
- "Doing business provides more opportunities to develop an individual's potential."
- "The market economy is the direction or trend towards which China is moving. So, the business path will have the best prospect in the future."

The above answers, to a great extent, also explain why so many young intellectuals would like to "jump into the sea" and "do their own business". In traditional

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<sup>7</sup> The three paths are defined in terms of pursuing knowledge, wealth and power. For details, see "2.1 Conceptual Framework" in Chapter Two.

Confucian China, merchants were ranked at the bottom of the occupational hierarchy and, therefore, enjoyed very low social prestige. In the three decades of the planned economy (1949-1979), commercial economy was criticized as capitalistic and business people were looked down upon. Recent economic reforms in the PRC have brought about a change of values. Personnel are the first group of people to embrace these new values.

The respondents were also asked to rate eight factors in terms of their importance in getting a good job: social connections, field of study, market demands, luck, family background, marks, university reputation, and gender respectively. Table 3.12 presents the results of their ranking. The results reveal that having social connections is the most important factor in the job market. An overwhelming majority was sure that “social connections” is “the most important” (47.6%) or “quite important” (43.7%). Social connections are an important personal resource almost in every field of contemporary Chinese society - the job market is no exception. “Field of study” and “market demands” were also rated quite high (field of study - most important: 37.9% and quite important: 48.5%; market demand - most important: 33.3% and quite important: 50.9%). This means that the respondents recognized the importance of the emerging labor market. Meanwhile, the fact that “luck” was also rated high (most important: 30.4%, and quite important: 55.1%) indicates that one’s chances in the emerging labor market are uncertain in the minds of many respondents.

It should be noted that only 6.8% rated gender “the most important”, while a little more than half (50.6%) rated it as “quite important”. Examining the responses by male



and female respectively, I found that 9.0% of the females and 5.1% of the males perceived gender as “the most important”, and in the “quite important” category, the proportions are 57.2% vs. 45.2%. What is most notable though is that almost two-fifth (39.4%) of the respondents thought gender is “not important”, more of males gave this response (44.6% vs. 33.1%).

**Table 3.12 Importance of Factors in Getting a Good Job**

	The Most Important %	Quite Important %	Not Important %	Do Not Know %	Total % (n)
Social Connections	47.6	43.7	6.6	2.1	100.0 (334)
Field of Study	37.9	48.5	13.0	0.6	100.0 (338)
Market Demands	33.3	50.9	13.2	1.5	100.0 (324)
Luck	30.4	55.1	10.5	3.9	100.0 (332)
Family Background	28.1	41.1	28.7	2.1	100.0 (331)
Marks	11.6	44.4	42.2	1.8	100.0 (329)
University Reputation	10.4	62.4	23.2	3.1	100.0 (327)
Gender	6.8	50.6	39.4	3.1	100.0 (325)

Note: percentage may not total to 100.0 due to rounding errors.

The fact that every two in five respondents in this survey considered “gender” as not important in terms of getting a good job seems in sharp contrast with the situation in Canada. Some explanations may be in order. First of all, Chinese women’s status in the

occupational world has improved greatly since 1949. It is now a constitutional right for women to work in any field they want to. In addition, *san-zi* enterprises or foreign firms in China tend to hire more women. Thus, it is easier for women to find jobs in these businesses which are considered as more glamorous, in addition to better pay. Secondly, to a great extent, what Canadians may consider as gender stereotypes are considered as normal and/or acceptable to most Chinese people, even to most educated women. So “good jobs,” in the respondent’s mind, may mean those which are traditionally gender-typed jobs. As a matter of fact, many women working in *san-zi* enterprises or foreign firms have low level white collar jobs, even though these type of jobs are not considered good jobs from a Canadian viewpoint. In brief, as a result of the combination of these cultural and structural factors, gender equality is not, at least not yet, a key issue in the current context in China.

In summary, the analyses to the data reveal: (1) the job allocation system is changing - although state allocation in terms of graduates’ initial employment is still the main channel, its implications is markedly declining; (2) the major reason for job change is changing from complying with organizational arrangement to pursuing opportunities for the development of personal abilities; (3) the proportion of personnel working in enterprises is increasing while the proportion of personnel working in Party & government departments and profession is declining; (4) family background (father’s education and parents’ registered residence) has an effect on both occupational types and occupational preferences; (5) there is a strong relationship between the channels and the

ways of job change and the type of ownership of work unit; and (6) there are cohort differences in all aspects of personnel mobility.

## **Chapter Four**

### **Discussion and Conclusion**

The data analysis in Chapter Three revealed that three major factors affect personnel mobility in terms of job changes and occupational choices. They are the ownership of the work unit, graduate cohorts, and family background. In this chapter, I shall interpret how and why these factors affect occupational choices and mobility of workers with college education, in the context of both Chinese history and the current economic reforms. Finally, several conclusions are drawn and some speculations regarding the future are presented.

#### **4.1 The Ownership of Work Unit**

The data analysis has demonstrated that the ownership of the work unit is a significant factor affecting personnel mobility in terms of the channels of obtaining jobs and ways of leaving a job. As far as the channels for obtaining jobs are concerned, as shown in Table 3.10, the jobs in state-owned work units were more likely to be obtained by organizational arrangements, while the jobs in non-state-owned work units were more likely to be obtained through the personnel market. As for the ways of leaving a job, most respondents now working in state-owned work units left their previous work units by official transfer, whereas, most respondents now working in non-state-owned work units

left their previous work units by other ways: resignation, leave of absence, and left the position by self (see Table 3.11).

The patterns the job entrance and exit indicate that there is a “segmented labor market” characterized by ownership of work units in China. It is the result of the interplay between political control and the emerging market economy. The foundation for political control is the government’s power to allocate all resources and the means of production (Xu, 1994). As mentioned in Chapter One, the work unit in China has not only economical but also political and social functions. The ownership of the work unit and the ownership of personnel by the work unit are the combination of political and economical factors.<sup>1</sup> Bian (1990) demonstrated that a state socialist government needs such an organizational system in order to run the state-dominated economy and to pursue political control over its citizens. The current economic reforms have not changed the essence of that political system. Therefore, the reform of the personnel system in the state-owned sector has been retarded by political considerations. For instance, the attempt to introduce a civil service system has not just been a technical endeavor. “The policy-making process has been replete with political conflict over what the main problems of the bureaucracy are and what solutions should be sought although the term Civil Service System continues to be used, the Provisional Regulations (1993) constitute a very limited departure from the old cadre management system”<sup>2</sup> (Lam & Chan, 1996:785).

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<sup>1</sup> Zhou and Wang argue that the persistent presence of economic shortage has induced the state to adopt strategies that transfer political resources into the economic sphere and develop those institutions that can effectively manage resources allocation. For details, see Zhou and Wang (1991).

The emergent labor market is not completely open. To a large extent, the state cadre status and *dang'an* system continue to function as mechanisms of political control of job access in the state-owned sector, especially in Party & government departments. Many university educated people still pursue a career in Party & government departments (“the red path”) because it offers greater job security and better benefits. However, it is also logical to predict that more and more university educated people will seek jobs in the non-state-owned sector due to the freedom of mobility, opportunities to develop, and higher income. That is to say, the “yellow path” in the non-state-owned sector will be a reservoir of people with higher education. Attraction of the “black path” (i.e., academic career) will depend on the increase of educational investment and future improvement of the status of intellectual in the PRC.

#### **4.2 Graduate Cohorts**

The analysis of the data reveals different response patterns among the four graduate cohorts in terms of the channels of initial job entrance, reasons for job changes, reasons for occupational preferences, and the different ways of changing jobs. Since the lives of the members of different cohorts intersect in distinctive ways with particular historical events of the Chinese society over the past forty years, the different patterns are a manifestation of cohort experiences.

##### **The pre-1982 cohort**

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<sup>2</sup> Former-Prime Minister, Zhao Ziyang, during the 13th Congress (1987), presented a proposal for a civil service system. It was the core of the reform of the political structure. The new Provisional Regulation (1993), however, allows open recruitment only of low level civil servants.

The pre-1982 cohort includes those who went to colleges/universities before and during the Cultural Revolution (1966 - 1976). As noted in Chapter One, the system of “unified entrance examination for higher education and unified state allocation for graduates” was established in the 1950s. However, during the Cultural Revolution (except for 1966 -1969 when no new students were admitted to colleges/universities), the “system of entrance (to higher education) by recommendation” (Broaded, 1991) was put into force in the name of the educational revolution. Under this system, instead of academic achievement, colleges and universities recruited students who were recommended by their work units, mainly on the basis of their family class origin<sup>3</sup>, political commitment<sup>4</sup>, and at least two years of work experience. These students were called “worker-peasant-soldier students”. As it was stipulated, these “worker-peasant-soldier students” were supposed to return, after graduation, to the work units which had

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<sup>3</sup> “Family class origin” refers to an official class labeling for each family established in the 1950s. In order to coordinate the land reform, the central government published the criteria for determining a family class origin in rural areas in 1950. Every rural family was assigned a class origin largely based on the economic conditions in 1949. Later, urban employees were also designated class origins with reference to that criteria. There were thirteen major class origins according to the criteria. For example, landlord, capitalist, rich peasant, middle peasant, staff, poor peasant, urban poor, peddler, laborer. For details, see Li, “The contemporary China: social stratification and mobility” (1993:60-62).

<sup>4</sup> Political commitment referred to one’s political attitude and behavior. The key criterion judging one’s political commitment was whether or not a person was in favor of the leadership of the Chinese Communist Party (CCP) in China. In 1979, the CCP put forward “the four basic principles” as political criteria: adhere to the leadership of the CCP; adhere to Marxism-Leninism and Mao Zedong’s thought; adhere to a socialist road and adhere to the dictatorship of the proletariat. The CCP desires that the whole nation to keep pace with the CCCCPCP (the Central Committee of Chinese Communist Party) politically. There were many political movements spreading all over the country since 1949. During the period of these political movements, almost every one had to “make a statement of one’s position.” Usually, there was an amount of “political studies” in work units -- studying the documents made by the CCP during work hours. A individual’s political attitude and behavior were recorded in the personal *dang’an* and he/she never knew what kind of records were in his/her own *dang’an*.

recommended them. Ten per cent of this cohort obtained its first employment by such contracts (see Chart 3.2). Because of their low academic quality,<sup>5</sup> a policy in the early 1980s stipulated that “worker-peasant-soldier” students were not allowed to be teachers or scientific researchers unless they had further education (Broaded, 1991).

Members of this cohort grew up, matured and got their first jobs prior to China’s economic reform and the open-door policies. Their socialization was highly political during the Maoist era. When they were growing up, they were indoctrinated to believe that individual interest should be totally subordinated to the interest of the state and collective, and that the individual should obey organizational arrangements without any conditions. Individual preferences and personal gains were considered incompatible with the concepts of true socialism. At that time, a popular description of the values was: “the demands of the Party (the Chinese Communist Party) are my needs”. “I am a brick and I’d like to be laid anywhere at the CCP’s discretion”. Any other thoughts and behaviors would be considered as a deviation and would be severely criticized.

The survey data clearly reflect these characteristics of this time. Almost two-thirds changed jobs through officials transfer (see Chart 3.4) - higher than the other three cohorts. Due to the fact that individual needs were ignored and suppressed over a long time, this cohort probably would be more eager than any cohorts to choose their

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<sup>5</sup> The study period of the worker, peasant and soldier students was three years instead of the regular four years. The subjects they studied were much more politically-related no matter what major they were in, and they spent a considerable amount of school time participating in political movements. Their academic quality was considerably lower. For details, see Broaded. “China’s lost generation - the status degradation of an educational cohort” (1991).



occupations based on individual interest if they were given a chance. This result is likely the combination of a measure of success of the political socialization and the lack of opportunity to express or exercise their personal preferences.

### **The 1982-85 cohort**

The 1982-85 graduate cohort includes the first four classes graduated after the reintroducing of the examination-based selection procedures for higher education. This cohort was characterised not only by a very high academic calibre but also by considerable variation in age.<sup>6</sup> Many of them had several years' experience working at a grass-root level before they went to college. Most members of the cohort grew up during the Cultural Revolution. Socio-political participation during their formative age (mostly teenagers or younger) accelerated their social maturation process. The college years of this cohort coincided with the beginning of China's economic reforms and the open-door policies. The so-called Ideological Liberation Movement,<sup>7</sup> occurred in the early 1980s, had a profound impact on them. Everything from the "orthodox" (the Party's) values and beliefs to the official evaluations of some historical figures and events were being

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<sup>6</sup> Since Chinese colleges/universities were closed (1966-69) and the "system of entrance by recommendation" was implemented during the Cultural Revolution, many classes of high school or junior high graduates during this period did not have the opportunity to go to college until the restoration of the entrance examination system. Therefore the members of the 1982-85 cohort included students with a wide range of ages.

<sup>7</sup> The Ideological Liberation Movement (*sixiang jiefang yundong*) took place in the early 1980s. In order to change the "two whatevers" policies (we must abide by whatever Mao said; we must carry out whatever policies made by Mao) and clear the road to the economic reform, a discussion about the criterion of truth took place across the nation. "Seeking true from facts" was proposed in the Ideological Liberation Movement.

challenged. When this cohort entered the labor market, China was in a stage of large-scale reconstruction and was badly in need of skilled and educated personnel. Therefore, almost all of the college graduates were put into the state allocation plan. In my sample, 95% of this cohort were state allocated. Quite a number of the members of this cohort were recruited into Party & government departments as officials because of the change in the selection criteria for officials<sup>8</sup> during this period of tremendous social change. In my sample, almost two in every five (39.2%) of this cohort were officials. Thus, it is reasonable to say that this is a result of historical opportunity rather than one of individual preferences.

Unlike their pre-1982 counterparts, members of this cohort began to depart from orthodox ideas and values. As far as the relationship between the individual and the organization was concerned, they put much more stress on individual interest. The data bear this out. The proportion of persons giving “no opportunities to develop my abilities” and “not interested in my previous job” as reasons for job change exceed that of persons who say such a change was “to comply with organizational arrangements” (see Chart 3.3). Also, almost half of them took “more opportunities to develop” as the first reason for their occupational preferences (see Table 3.7).

### **The 1986-88 cohort**

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<sup>8</sup> The selection criteria for officials put more emphasis on revolutionary zeal and less on expertise in the Mao Zedong era (Mao, 1964:276-279). The educational level among officials was low. For example, in average, officials with a college diploma accounted for only 5.8%; officials with junior high and below accounted for 71.2% before 1980s (Li, 1993:285-289). In 1980, new “official criteria” were put forward by Deng Xiaoping: young, educated with expertise and revolutionary spirit.

As the scope of China's economic reforms expanded in the mid-1980s, the contradiction between the job allocation system and the demands of socio-economic development was exposed. Clearly, the job allocation system has become inadequate in the new environment and changes were required. It was under these circumstances that new ways of recruiting college students and allocating graduates were introduced. Two new categories of students emerged: *zifei sheng*, students who were supported by their own resources, and *weipei sheng*, students who were supported by their "contract" units<sup>9</sup>. Both of these categories of students are outside the state plan. The state has no responsibility for their employment. *Zifei sheng*, the privately supported students, are supposed to find jobs by themselves after their graduation; *Weipei sheng* have to work for their contract units for a fixed number of years (Lin, 1994). In my sample, the percentage of "contractees" in the 1986-88 cohort was 22%; meanwhile the percentage of state allocation dropped from the previous 95% to 76% (See Chart 3.2).

A labor system reform took effect in 1986 (Leung, 1994). The reform required all new employees in state-owned *danwei* to sign contracts with their employers. This means that they no longer owned an "iron rice bowl", while they gained relative freedom of job mobility. The 1986 -88 cohort is one characterized as a "transitional point". They were attracted by the freedom of job mobility offered by the new system, on the one hand; but they were reluctant to lose the "iron rice bowl" guaranteed by the work unit, on the other.

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<sup>9</sup> *Weipei sheng* do not come from the contract units. They are high school graduates and they choose their contract units prior to going to college in order to get financial support from the contract units.

The ambivalence made them seem to be more conservative than the 1982-85 cohort. They could not go ahead without looking back as did their post-1988 counterparts. In this sample, one in four (25.5%) of this cohort chose “job security” as a reason for their occupational preferences (see Table 3.8). At the same time, nearly one in three (30%) changed their jobs because of “no opportunities to develop my abilities” and 15% did it because of “not interested in previous jobs”. Still, 30% move because of “complying with organizational arrangements” (see Chart 3.3).

### **The post-1988 cohort**

The data have shown that the post-1988 cohort is obviously different from the pre-1989 cohorts. They are a product of the new era. Two events played a significant roles in shaping their cohort experiences. One is the 1989 Tiananmen Square Protests. Many college students in this cohort were involved in the student movement in 1989 in various ways. The participation and the aftermath had a great impact on them. In the post-Tiananmen period, political virtue (i.e., political loyalty to the CCP) has become more important again, especially in the recruitment of officials to Party & government departments (Lam & Chan, 1992). A new policy made in 1989 stated that new college graduates cannot be directly assigned to Party & government departments. At least two years of work experience at the grass level was required. Provisional Regulations on state civil servants, promulgated in August 1993, emphasized that the majority of civil servants should come from the ranks of workers and peasants. As a consequence, in this sample, officials account for only 13.9% of the respondents in the post-1988 cohort (see Table

3.3). It seems that members of this cohort also want to stay away from the centers of politics. Less than ten percent of them prefer to work in Party and government departments.

Another event is the reform program of university graduate allocation which was put in effect in 1989. The goal of this reform was that the Personnel Market, instead of state allocation, would gradually become a main employment channel for college graduates. As a matter of fact, this trend has already started to show in the employment patterns of this cohort. The proportion of state allocation dropped down from 95% of the 1982-85 cohort, 76% of the 1986-88 cohort, to 54% of this cohort. The proportion who got their initial jobs through the personnel market reached 17% (see Chart 3.2) - the highest proportion ever.

This cohort grew up and matured in the environment of China's economic reforms and open-door policies. They are the first group of college graduates to experience the "market" test right after they left campuses. They seem to be least influenced by both the traditional Chinese and orthodox socialist values. They are very individualistically-oriented, or, to be more accurately, they have had better opportunity to express their individual interests and they did so. For example, only 8% in this cohort changed job because of "complying with organizational arrangements", while most of them did so due to personal reasons: "not interested in my previous job" (25%), "no opportunity to develop my abilities" (22%), and "to try to prove my abilities" (16%) (see Chart 3.3). Meanwhile, this cohort appeared to be more market-oriented. For example, 18.8% took

higher salary as one reason for their occupational preferences, which is the highest rate of all the cohorts. Because of the limitations of the state budget, salaries in *shiye danwei* such as universities and research institutes are low. A popular saying in China is: “You are poor like a professor”. In this sample, fewer members of the post-1988 cohort than in other cohorts who worked as professionals (professional occupations mainly are in *shiye danwei*) (see Table 3.3). Also, when expressing their occupational preference, few (less than 10%) preferred work in “universities & research institutes” (see Table 3.6). Compared with the other three cohorts, members of this cohort are younger, more confident in themselves, and more adaptable to the emerging market economy. Therefore, they tended to opt for “own my own business” as their occupational preference, or “non-state-owned enterprises”. They rated “job security” the lowest among all of the four cohorts (see Table 3.8). Their ways of changing jobs are also less structured and seen as more “brave” (resignation, leaving the position by self and leave of absence account for quite high proportions).

In brief, cohort patterns of personnel mobility reflect different cohort experiences. The pre-1982 cohort grew up and matured before the economic reforms. Complying with organizational arrangements was the determined route of action and official transfer was a main channel for job change for this cohort. The 1982-85 cohort, as the first class graduated after the restoration of the college/university entrance examination system, is playing an increasingly important role in China. Almost 40% of them were officials in Party and government departments and another third were managers in various

enterprises at the time of the survey. The 1986-88 cohort was at the transitional point of the new and old labor systems as they were the first group who were required to sign a contract with a *danwei* in the state-owned sector. They longed for more opportunities to develop themselves, but continued to place high value on job security. While over one third of this cohort wished to own their own businesses, a sizable proportion of them wanted to be officials in the Party and government departments. The post-1988 cohort seemed to have adapted completely to the market values. They preferred to work in non-state-owned enterprises or to own their own businesses. They pursued higher salary and were less concerned with job security. Only 13.9% of this cohort were, and only 8.3% wanted to be, officials in Party & government departments, the smallest proportion among all four cohorts.

#### **4.3 Family Background**

Many studies found that family background affects a person's occupation (Coleman, 1974; Chen & Regan, 1985; Li & Chen, 1993). According to Blau and Duncan (1967), socioeconomic status (mainly father's education and occupation) has a direct effect on a child's educational opportunities and achievement, and further on the child's occupation. What is the situation in China? This study found that family background, plays an important role in one's occupation in China. However, it appears that it has different effects before and after the economic reforms.

This study found that, by taking father's education and parents' registered residence as indicators of a person's SES background, the influence of family background

operates in ways similar to, and yet different from, the West. As far as the father's education was concerned, the data show that in China the higher the father's educational level is, the higher the probability for his offspring to enter clerical type of occupations as it was defined in this study.<sup>10</sup> Those whose father's education is low are more likely to work and also aspire to work in the Party or the government than those whose father's education is high. On the surface, these patterns appears to be in sharp contrast with what usually is the case in Canada: the higher a young person's family background, the higher the level of occupation to which they aspire; the "better" the family background, the higher the level of occupation they tend to enter (Chen & Regan, 1985:46). Closer examination would reveal that this also is the case in the PRC. The difference lies in the definition of "good" family background. This point requires further explanation.

Before the recent economic reforms, political control of job access played an important role in China. Class origin<sup>11</sup> was the principal screening device, sorting people into categories, and thus affecting their chances in all aspects of their lives, from education and occupation, to promotion and even marriage. Particularly, the state job allocation system added political implications to the effect of family background on a person's occupation. This system channeled university/college graduates into various occupations according not only to their fields of study and academic merits but also their family class origin and personal political commitment.<sup>12</sup> High academic achievement was

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<sup>10</sup> See section 2.2 "Questionnaire Design" in Chapter Two.

<sup>11</sup> See note 3 in this chapter.

<sup>12</sup> See note 4 in this chapter for the definition.



no guarantee of occupational success. Sometimes, family class origin and personal political commitment were even more important than academic qualifications. Although the economic basis of the original family class origins established in the 1950s has diminished, the designations remained in their place for subsequent years. In time, these designations of class origins became labels standing for political status in China (Whyte & Parish, 1984:46-51; Li, 1993:60-63). A hierarchy based on political status was thereby developed. The family class origin is recorded in the household registration (*hukou*) and in an individual's *dang'an*. Furthermore, a father's class origin was passed on to his children and recorded in their *dang'an*.

During the Maoist era, "good class origin" referred to worker, poor peasant and revolutionary cadre (i.e., if one or one's father became a substantial official in the new order); "bad class origin" referred to capitalist and landlord. There was a relatively neutral label called "staff". This category included professionals, minor bureaucrats, and other intellectuals.

Based on political requirements, officials in the Party and government departments were supposed to come from families of "good" class origin and to have high political commitment. It was believed that people with "good" class background would be more reliable and loyal to the Party. Thus, through a process of "political screening", those graduates who were of such family background were most likely to be assigned to the so-called "power institutions" - Party and government departments. Once there, they also had better prospects of advancing through the ranks.

Although, as noted above, “staff” was in theory a relatively neutral class label, their children were declared to be suspect along with children of capitalists and others of bad class origin (Whyte & Parish, 1984:47). Mao Zedong pointed out in 1957 that most intellectuals were from bourgeois families and received bourgeois education before the establishment of the PRC, and thus their world-view were bourgeois. To fit in the new People’s Republic, intellectuals had to reform their world-view (Mao, 1957:384). As a matter of fact, there was a policy to this effect. In any case, due to all of these political considerations, under the system of job allocation, the number of people whose fathers were intellectuals who were assigned to be officials in Party and government departments was far fewer than those whose family class origins were revolutionary cadre, worker and poor peasant.

Although family class origins was not asked in my questionnaire, there is evidence to indicate that a father’s education was closely related to his family class origin for people who are now over 35 years of age. According to a 1972 - 78 Chinese urban sample, the fathers of those whose class origins were staff and capitalist usually had a high education before 1949, and the fathers of those whose class origins were workers and peasants usually had lower education (Whyte & Parish, 1984:48). In other words, we could say that for a person now aged more than 35, if his/her father was highly educated, he/she is more likely from a “bad” class origin and if his/her father was poorly educated, he/she is more likely from a “good” class origin. Therefore, it could be inferred that family class origin rather than father’s education, by the device of the political screening

of job access, that had a direct effect on a person's occupation under the job allocation system.

Government policies have changed a great deal since the introduction of economic reforms. Class labels for landlord and rich peasant were removed in 1979.<sup>13</sup> A new policy regarding intellectuals is to "trust and to depend" on them. The term "family background" no longer means family class origin. Perhaps this is why family background is ranked relatively low in terms of getting a good job. It is still quite important, but is no longer the most important factor. As the most important factor, it ranked fifth (28.1%), even lower than "luck" (30.4%) (see Table 3.12).

There is perhaps another reason to account for family background having a relatively low ranking in importance. That is, for the great majority of the respondents, much of their university education was government funded, regardless of their family class origins. Thus, in their minds, family background is not all that important. The highest ranked factor is "social connections" (47.6%).

Although family class origins are seldom mentioned in contemporary China, the impact of political control over job access and that of the many political movements on the intellectuals and their children are still significant. This impact is shown in the very small proportion (10.4%) of those with highly-educated fathers who prefer to have a career in the Party and the government (see Table 3.7). At the same time, 16.0% of this

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<sup>13</sup> In January 1979, the Central Committee of the Chinese Communist Party made a policy decision that "took off" the class labels for landlords and rich peasants after an evaluation by the local masses and the approval by local county government, except for a few who had not been reformed well (Li, 1993).

group chose to work in non-state-owned enterprises and 14.2% in universities or research institutes as their occupational preferences. In addition, it is worth noting that 16.0% of this group chose “other”. Among these people, except the 8 cases who specified on their questionnaires that they want to study abroad, the rest left it blank. From what I understand, “these blanks” may very well be the same thing: to study abroad. If so, it is also worth noting that 40.1% of the post-1988 cohort in this sample are children of highly-educated fathers (see Appendix A). Although this sample is not representative, it is not unreasonable to predict that increasingly large proportion of students with such a family background will pass the entrance examination for higher education (Kwong, 1983:106; Broaded & Liu, 1996:62). The implication is that an increasing numbers of university graduates will go overseas and eventually enter the international labor market in the future, if China’s open-door policy remains the same.

Another family background factor that relates to one’s occupation is parents’ registered residence. Generally, residence in an urban or a rural area may affect job opportunities in many countries (Krahn & Lowe, 1993:122). If there is freedom of migration, its effect is not crucial. However, in China this factor is crucial to a person’s career path. As mentioned in Chapter One, choosing and changing of registered residence is strictly controlled by the household registration system. Furthermore, the registered residence is not only an indication of the area where one lives; but it is also an indication of social status. Since there are huge differences in socio-economic conditions between

urban and rural areas, parents' registered residence has a significant impact on the life chances of their children.

In this sample, as shown in Table 3.5, respondents with a rural background are more likely to have jobs as officials in Party and government departments than those with an urban background (40% vs. 16.5%); and children originally from urban areas are more likely to be clerks in enterprises or *shiye danwei* than those from rural areas (47.3% vs. 23.3%). Due to the fact that parents' registered residence is closely related to father's education (see Appendix B), one plausible explanation for this pattern is probably the same as for education. In addition, the social status of the peasants in Chinese society and their traditional values may also help to explain this phenomenon. Peasants account for approximate 70% of the Chinese population. Under the household registration system (*hukou*), to be a peasant means not only where you live or what job you do but also means a given social status (Potter, 1983). According to a 1989 - 1990 study, peasants' social status in terms of income, prestige and power was at the bottom of the Chinese society. In comparison, officials' prestige and power was rated at the top by the peasants (Li, 1993:102). Since peasants have a strong feeling of powerlessness, they tend to encourage their children to pursue power. Once becoming an official, a person may help to change his/her own status and that of the family. To get a university education is one of the few ways to become an official. The dynasties may have long gone, but one

traditional value lingers on among the peasants: by becoming an official, a peasant's child can stand out among his fellows and bring honor to his ancestors.<sup>14</sup>

#### **5.4 Conclusions and Summary**

From a political economy perspective and by using the concept of segmented market and cohort analysis, this study explored the impact of structural factors on the occupational mobility of university educated people (the personnel) in China, the motivations for job changes, and the values underlying occupational choice and change.

Since the early 1980s when the economic reforms were launched, a labor market has emerged. However, this emerging labor market is a segmented one along the lines of the ownership of the work units. Within the state-owned sector, the labor market is controlled, while it is open in the non-state-owned sector. Personnel mobility is conditioned by this segmented labor market. While state allocation is still in practice, the personnel market appears to play an increasingly important role in job-seeking and job placement.

To sum up, the analysis identified three main factors that affect personnel mobility: the ownership of the work unit, graduate cohorts, and family background. First of all, the ownership of work unit is the most important structural factor affecting the channels of job change. It is the result of the interplay between the socialist political

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<sup>14</sup> China established a system of civil service examination in the Song Dynasty (960 - 1279) -- which set a goal and a path for scholars: when one had achieved excellence in studies one became an official. The system lasted roughly eight centuries. For details, see Schirokauer, 1991:134 - 36.

system and the emerging market economy. Secondly, patterns of personnel mobility show remarkable cohort characteristics. The cohort experiences reflect both the processes of socialization during their formative years as well as different employment policies and opportunities. A main motivation for changing jobs for college-educated people is to pursue opportunities for developing individual abilities. The post-1988 cohort appears to be distinctly different from the other three examined in this thesis. They seem to have adapted more fully to the new market system. Finally, family background have a great effect on their occupational preferences and employment. The effect is also conditioned by both the structure of the labor market and national politics.

This thesis placed an emphasis on historical analysis, especially of the old systems because they still have tremendous influence on contemporary society due to inertia within the PRC. The emerging labor market bears a clear imprint of these systems. However, as the economic reforms develop further, it is very likely that the political control of personnel mobility, such as the household registration system, the ownership of personnel by the work units, and the *dang'an* system, will be loosened further. The segmented nature of the labor market will also likely change. Barring another Cultural Revolution or similar chaotic mass political movement, the labor market is likely to become one of the major avenues for occupational and social mobility in the PRC.

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## Appendix A

YRGRADU year of graduation by FATHEDUC father education

Page 1 of 2

YRGRADU	Count Row Pct Col Pct	FATHEDUC				Row Total
		illitera te 1	elementa ry & jun ool 2	high sch ool 3	universi ty 4	
Pre-1982	1	11 12.4 47.8	31 34.8 22.0	22 24.7 25.9	25 28.1 22.9	89 24.9
	2	2 3.1 8.7	39 60.9 27.7	13 20.3 15.3	10 15.6 9.2	64 17.9
	3	5 10.4 21.7	18 37.5 12.8	14 29.2 16.5	11 22.9 10.1	48 13.4
(Continued)	Column Total	23 6.4	141 39.4	85 23.7	109 30.4	358 100.0

Page 2 of 2

YRGRADU	Count Row Pct Col Pct	FATHEDUC				Row Total
		illitera te 1	elementa ry & jun ool 2	high sch ool 3	universi ty 4	
post-1988	4	5 3.2 21.7	53 33.8 37.6	36 22.9 42.4	63 40.1 57.8	157 43.9
	Column Total	23 6.4	141 39.4	85 23.7	109 30.4	358 100.0

Chi-Square	Value	DF	Significance
Pearson	30.53996	9	.00035
Likelihood Ratio	29.77332	9	.00048
Mantel-Haenszel test for linear association	9.79944	1	.00175
Minimum Expected Frequency -	3.084		
Cells with Expected Frequency < 5 -	2 OF	16 ( 12.5%)	
Number of Missing Observations:	2		

## Appendix B

SPSS/PC+ The Statistical Package for IBM PC  
2/24/97

FATHEDUC father education by PAREGI registration place of parent

Page 1 of 1

FATHEDUC	Count Col Pct	PAREGI			Row Total
		urban 1	rural 2	urban and rural 3	
illiterate	1 4.3	12 4.3	11 16.2		23 6.5
elementary & jun	2 33.6	93 33.6	44 64.7	1 12.5	138 39.1
high school	3 26.4	73 26.4	10 14.7	2 25.0	85 24.1
university	4 35.7	99 35.7	3 4.4	5 62.5	107 30.3
	Column Total	277 78.5	68 19.3	8 2.3	353 100.0

Chi-Square	Value	DF	Significance
Pearson	50.86018	6	.00000
Likelihood Ratio	55.72063	6	.00000
Mantel-Haenszel test for linear association	18.48219	1	.00002

Minimum Expected Frequency - .521  
Cells with Expected Frequency < 5 - 5 OF 12 ( 41.7%)

Number of Missing Observations: 7

**Appendix C****Questionnaire**

(1)Age:

1. Under 25    2. 26-30    3. 31-35    4. 36-40    5. 41-45

(2)Gender:

1. Male    2. Female

(3)Marital status:

1. Single  
2. Married  
3. Other (divorced, separated, widowed)

(4) Do you have a child or children?

1. Yes    2. No

(5) In what year did you graduate from College\university?

(6) Your highest degree:

1. Bachelor    2. Master    3. Ph.D    4. None

(7) What was your major in college/university?

(8) Where was your parents' registered residence ?

1. Father    a. urban    b. rural  
2. Mother    a. urban    b. rural

(9) Father's education

1. Illiterate    2. Elementary or junior high    3. High school    4. University or higher

(10) After you graduated from university, by what channel did you get your first employment?

1. By state allocation
2. By my contract
3. Through personnel market
4. By personal connections    a. parents    b. relative    c. friends    d. classmate
5. Other (please specify)

(11) The type of your work unit

1. Party and government department
2. Enterprise
3. *Shiyie danwei*

(12) The ownership of your work unit is

1. State owned    2. Urban collective    3. Town-village collective
4. *San-zi* enterprise    5. Private business    6. Other (specify, please)

(13) Your position at work (please be specific)

(14) Into which of these categories does your monthly income fall?

1. RMB 399.00 and below
2. From RMB 400.00 to RMB 599.00
3. From RMB 600.00 to RMB 799.00
4. From RMB 800.00 to RMB 999.00
5. From RMB 1000.00 to RMB 1499.00

6. From RMB 1500.00 to RMB 1999.00

7. From RMB 2000.00 to RMB 2499.00

8. RMB 2500.00 or more

(15) All in all, how satisfied would you say you are with your job?

1. Very satisfied

2. Satisfied

3. Somewhat satisfied

4. Not too satisfied

5. Not at all satisfied

(16) Have you changed your job, after your first employment since graduation?

1. No

2. Yes

If yes, please continue to answer questions 17,18,19,20

(17) How many times have you changed jobs?

1. Once

2. Twice

3. Three times

4. Four or more times

(18) How do you get the present job?

1. By official transfer

2. By personal connections: a. parents b. relative c. classmate d. friends

3. Through personnel market

4. Other (please specify)

(19) In what manner did you change your last job?

1. By resignation

2. Being fired

3. Left the position by self

4. By official transfer

5. By leave of absence

6. Other



(20) Why did you change your job the last time? Which factors are important? (You may choose up to three factors and rank your choices.)

1. Not interested in my previous job
2. No opportunity to develop my abilities
3. Low salary
4. Lack of opportunity for promotion
5. Unpleasant interpersonal relationships a. with colleagues b. with the boss
6. Try to prove my abilities
7. My personality is not suitable for the job
8. In order to obtain an apartment
9. Comply with organizational arrangement
10. Other (please specify)

(21) If you were given an opportunity to choose freely, without limitations, which occupational path would you pursue?

1. A career in Party and government
2. Universities and research institutes
3. *Shiye danweis*
4. State-owned enterprises
5. Non-state-owned enterprises
6. Own my own business
7. Other (please specify)

What are the reasons for your option.

(You may choose up to three factors and rank your choices.)

1. It is interesting to me
2. The income is decent
3. Job security is high
4. The benefits are good
5. There are more opportunities to develop my abilities
6. High prestige
7. Other (please specify).

(22) Please evaluate the importance of the following factors in terms of getting a good job?

	The most important	quite important	not important	do not know
Social connections				
Field of study				
Market demands				
Luck				
Family background				
Marks				
University Reputation				
Gender				

(23) In your opinion, which of the following occupational path is the best in China currently?

1. Academic    2. Business    3. Being an official in the Party and the government

Why? please give reasons.

(24) Do you agree or disagree the following views?

1. Any person with ability and willingness to work hard has a good chance of being successful.

Agree                                  Disagree                                  Do not know

2. Poverty is chiefly a result of injustice in the distribution of wealth.

Agree                                  Disagree                                  Do not know

3. It is easy to get one's way in most situations.

Agree                                  Disagree                                  Do not know

4. I am paid fairly compared with people in other occupation.

Agree                                  Disagree                                  Do not know

5. My pay is enough to live on comfortably.

Agree                                  Disagree                                  Do not know

6. I am really doing something worthwhile in my job.

Agree                                  Disagree                                  Do not know

7. I find real enjoyment in my work.

Agree                                  Disagree                                  Do not know

8. It is important to make plans for one's life and not just accept what comes.

Agree

Disagree

Do not know

9. The best way to judge a person is by his success in his occupation.

Agree

Disagree

Do not know

10. Businessmen and industrialists are much more important to society than artists  
and professors

Agree

Disagree

Do not know