

Social stratification in contemporary China

Research >
China

One of the most significant changes in post-reform China has been the emergence of social inequality and differentiation. In many ways, the problem is relatively new to China as the last fifty years of Communist rule enforced a strict egalitarianism both in ideological and material terms.

Ravni Thakur

While social differentiation was not completely wiped out in the preceding half-century, it was hard to specify in terms of mere wealth. The major inequality of this period existed between rural and urban areas, a differentiation artificially maintained by the stringent *Hukou* or registration system which kept the rural population out of urban areas. While the wealth of landlords and the capitalist class was immediately nationalized in 1950, small entrepreneurs and middle peasants were forced into collectivization under Mao's Commune campaigns in 1958. Until the reforms, Chinese society, especially in terms of wealth, was hardly differentiated. Studies have shown that for income differentiation, the span ranged from 30 to 560 yuan among government cadres while an official guideline set a ratio of 6:1 for top and bottom wages in all enterprises. Amongst the rural population, around 60 per cent were classified as middle peasants.

However, if the analysis of inequality is broadened to consider other forms of capital, i.e. cultural and social, the main differentiation existed between the members of the communist party and others. As Stockman points out, 'Virtually the entire population was brought within the compass of two intertwined organizational systems, those of the State and the Communist Party' (p. 189). Administrative hierarchy was established to control work organization and co-ordinate economic activities while the *danwei* (urban work unit) was the basic organization looking after the material well being of its members. Salaries were paid according to a work point system.

Here again, China's use of a strict class terminology (*jieji chengfen*) created other forms of inequality. The practice of labeling people with evaluative titles (hats or *maozi*) such as 'counter revolutionary element', intellectuals as the 'ninth stinking category', etc., created further social differentiation. Further, these bad class categories were hereditary, leading to a group of people who fell outside the rhetorical devise of 'egalitarian discourse' used by the Communist Party. This egalitarianism, at the practical level, was forced through constant political mass campaigns such as the Great Leap Forward, and of course the Cultural Revolution. Mao's continuous revolution also meant the creation of continuous enemies.

Understanding social stratification today

China has not only opened its economic doors; a breath of fresh air has swept through its academic disciplines. After years of no serious academic research - intellectuals were the ninth stinking category during the cultural revolution - some excellent research is being carried

out by Chinese and foreign scholars. Work on the issue of social stratification is one such subject. The direct result of China's economic reforms, these inequalities are both regional, within regions and are now clearly visible in the large urban metropolis. These differences are here to stay for the near future, and will impact both internal policy making and the future of China's polity. Deng legitimized this emerging inequality when he pronounced 'that some will get rich more quickly', thus tacitly accepting the idea of a trickle down effect. Today, after twenty years, this social differentiation has stabilized - understanding this emerging social differentiation in China will be intrinsic to an understanding of China as it develops.



Migrant labour in urban China

Chinese scholars themselves have been quick to identify these emerging social inequalities, as is demonstrated by the excellent issue on the subject bought out by the Academy of Social Sciences. As Li Peilin says in his introduction to the special issue: 'Very profound economic and social changes have taken place in China in the 20 years since the reform.... It is imperative to solve the social issues of the gap between the rich and the poor, environmental pollution, corruption and poverty during the economic growth and it is of utmost importance to establish a common concept of social justice under a market economy'. (p. 45)

The issue further goes on to specify the different status groups emerging in

China today. These groups are still not classified as classes and rightfully so, as the social stratification of the past twenty years is still fluid and the administrative control exercised by the Communist Party still sacrosanct. And of course, it continues to rule in the name of the working classes. Six different interest groups were identified by the authors of the special issue. These are:

1. **Workers:** defined as the group that has lost both economic and social status under the reforms. Increasing stratification within the group has been identified amongst technical workers, private sector workers and those who still remain within the state sector.

2. **Peasants:** this group is also marked by increasing stratification within their ranks and here income differentiation is enormous. While remaining registered as peasants, some have gone into small scale manufacturing enterprises and commodity trade.
3. **Cadres:** identified as an upwardly mobile group, with a lower mean age, more education and higher technical skills.
4. **Intellectuals:** stratification within this group is defined as largely ideological, i.e. those inside the system, those outside the system and those opposed to the system.
5. **Private business owners:** one of the newly emerged categories. Although no direct links have been found with

the entrepreneurial class of the 1950s, this category, after 20 years of existence, has emerged as a powerful interest group.

6. **Women:** are seen to consistently lose out in the reform process. Statistics show that women form sixty per cent of the laid-off work force and continue to get salaries far lower than that of men.

Further, differentiation amongst groups such as high income groups and a new impoverished strata are also identified. While the former includes senior cadres and private entrepreneurs, the latter consists of laid-off workers, potentially unemployed workers, retired personnel, and poor rural residents drifting in cities and towns. This is the migrant labour of urban China today. Estimates show that there are more than 100 million people in this stratum, making up 8 per cent of the total population. Another significant source of material by Chinese scholars can be found in the new series of Blue books that have been recently published on society, politics, etc. *The Blue Book of Sociology*, 2002, for example, identifies the emergence of social differentiation as one of the major challenges of the reform process. It identifies ten different groups.

Kinship and Social Status

Another perspective that has regained importance in understanding growing social stratification in China today is presented by sociologists such as Fei Xiaotong. They argue for the need to understand the huge role played by family and kinship ties in traditional China. Several researchers (e.g. Bian and Ruan) have pointed out the re-emergence of kinship ties in business networks, as well as their role in providing the social safety net that is being progressively withdrawn by the state. Family and kinship is an important criteria of upward social mobility and seems to encompass all the groups identified by the academy. Here, more informed and anthropological studies dealing with *guanxi* - a term particular to China meaning at once connections, kinship, access, and the older gift economy - also help uncover the complexity of social stratification.

Thus China today no longer represents the egalitarian and strictly structured, totalitarian social system that it once did. Even if one were to look only at the different groups being identified by Chinese sociologists, a deeper understanding of the social relations evolving within these groups is crucial. Naturally, the topic has drawn the interest of many western scholars as well. Unger, Parrish, Pieke, Croll, Davin and Davis, to name but a few, have all attempted to

understand this emerging social differentiation in China. While Croll has focused on increasing inequalities faced by women, Pieke and Parrish have focused on urban inequality. Davin has, apart from gender, examined inequalities emerging within China due to large scale rural-urban migration. This is also an area that has been identified by Ma and Day. All have testified to the fundamental structural changes occurring in Chinese society after, as Parrish says, a socialist contract society was turned into a marketing contract society.

Research on changes in post-communist East European societies also sheds light on the social changes that can result from reforms. Kornai's work is exemplary here. It stressed the way people's daily interactions changed due to the prevalence of what he calls 'vertical dependency', where rather than dependence on the self, one relied on the state and its representatives to meet one's material needs. Notions of the self and the individual were replaced by collectivized identities.

This leads us to an understanding of social difference in all its complexity, and here I want to come back to Bourdieu's work. Bourdieu has extended the notion of social differentiation to include aspects of social, economic, cultural and symbolic capital. His intention was not to add to the corpus on class theory but to assess, as it were, a set of practices that structure social differentiation and ways in which social differentiation is expressed. China today presents an excellent example of the complexity of social differentiation that occurs when a society undergoes economic and structural change. Social stratification is an area that deserves to be watched closely, and not just by the state for the ramification it creates for political stability and social unrest, but also for scholars interested in social change. ◀

References

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Ravni Thakur is Reader in the Department of East Asian Studies, Delhi University. ravthakur@vsnl.com

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