To Zhaohui and Katie
## Contents

<table>
<thead>
<tr>
<th>List of Figures</th>
<th>page xiii</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of Tables</td>
<td>xv</td>
</tr>
<tr>
<td>Preface</td>
<td>xix</td>
</tr>
<tr>
<td>Credit Line</td>
<td>xxiii</td>
</tr>
</tbody>
</table>

1 Redistribution and Stratification Dynamics Under State Socialism  
   Introduction  
   Social Stratification in a Comparative Perspective  
   Redistribution and Stratification Dynamics Under State Socialism  
   The Political Logic of Redistribution  
   The Bureaucratic Class Thesis  
   Redistributive Institutions Thesis  
   Stratification Dynamics Under State Socialism  
   Institutional Transformation and Stratification Processes in the Reform Era  
   The Theoretical Debate  
   Coevolution Between Politics and Markets  
   Looking Ahead  

2 Overview: Historical Context and Research Design  
   Changing Historical Contexts in Urban China  
   The 1949–1965 Period  
   The 1966–1979 Period  
   The 1980–1994 Period
## Contents

The Evolution of Redistributive Institutions and Life Chances 40  
Labor Force Composition 40  
Composition of Industrial Output Across Sectors 46  
Educational Opportunities 47  
The Life History Data From “The State and Life Chances” Project 50  
Sampling 51  
Research Design Considerations 52  
Focus of Analysis: Different Aspects of the Stratification System 53  
Main Covariates of Theoretical Interest 54  
Statistical Analysis: Models and Methods 60  
The Concept of the “Risk Set” 60  
Periodization 61  
Models 61  
Missing Values 64  
Chapter Summary 64  

Part One. Redistribution and Stratification Dynamics: Empirical Evidence

### 3 Educational Stratification 69  
Education and Social Stratification: The Issues 71  
Historical Evolution of Educational Opportunities 75  
State Policies, Social Origins, and Educational Attainment: Further Analyses 80  
Overview: Do Social Origins Matter? 83  
Effects of Gender and Social Origins on Transition Rates Across Historical Periods 85  
Effects of Family Class Background 93  
Chapter Summary 95  

### 4 Entry Into the Labor Force: Patterns of First-Job Attainment 98  
The Concept of Job in a Comparative Perspective 99  
Occupational Status 100  
The Hierarchy of Work Organizations 102  
Descriptive Patterns of Entry Into the Labor Force 103  
Entry Into First Occupation 104  
Entry Into First Organization 105  
Explaining Entry Into First Jobs: The Overall Pattern 107  
Overall Patterns of First-Job Attainment 108  
Period-Specific Job-Attainment Patterns 111  
Entry Into First Occupation 112
## Contents

Entry Into First Organization ................................................... 116
An Alternative Specification of Social Origins ................................. 119
Chapter Summary ........................................................................... 122
Occupation Versus Work Organization Hierarchies ............................ 122
Stratification Dynamics ................................................................. 122

5 Children of the Cultural Revolution: The Send-Down Episode
   The Issues .................................................................................. 126
   The Send-Down Experience in Historical Context ......................... 128
   Historical Patterns of the Send-Down Episode ................................. 131
   Different Impacts of State Policies on Social Groups ....................... 133
      Who Was More Likely to Be Sent Down? .................................... 133
      Return to Urban Areas .............................................................. 138
   Consequences of the Sent-Down Experience .................................. 142
      Experience of Subsequent Life-Course Events ............................. 142
      Income Determinants ............................................................... 146
   Chapter Summary ........................................................................ 151

6 Climbing the Political Ladder: Bureaucratic Career Patterns
   Introduction: The Personnel System in the Chinese Bureaucracy .... 156
   The Bureaucratic System ............................................................... 157
   Policies and Practice of Recruitment and Promotion ....................... 159
   Explaining Bureaucratic Career Patterns in Urban China: Two Models 162
      Walder's Dual-Path Model ......................................................... 162
      A Model of Stratification Dynamics .......................................... 164
      Implications for Empirical Examination ................................. 167
   Descriptive Patterns Across Historical Periods ............................... 171
   Entry Into Cadre and Professional Careers ..................................... 173
   Recruitment Into the Communist Party ......................................... 179
   Promotion Patterns in the Chinese Bureaucracy ............................... 182
      Promotion Patterns in Formal Bureaucratic Ranks ................. 183
      Promotion Patterns in Work Organizations ................................ 188
   Chapter Summary ........................................................................ 192

PART TWO. ASSESSING INSTITUTIONAL CHANGES IN THE POST-MAO ERA

7 Economic Transformation and Changes in Income Inequality .......... 197
   Redistribution and Marketization: Implications for Income Inequality 199
## Contents

Cross-Sectional Analyses of Income Determinants  202  
Comparing Changes Across Two Eras: A Mixed Model for Panel Data  209  
Exploration of Regional Variations  216  
Comparison With the OLS Results and Other Studies  221  
Chapter Summary  221  

8 Redistribution and Latent Economic Benefits  225  
Redistribution and Latent Economic Benefits  226  
Policy on Maternity Leave: An Illustration  226  
The Issues  227  
Distribution of Latent Economic Benefits: Historical Overview  229  
A Case Study: Determinants of Housing Distribution  233  
Determinants of Housing Space  234  
Determinants of Housing Quality  239  
Chapter Summary  240  
Implications for Understanding Redistribution and Stratification Dynamics  243  

9 Institutional Changes and Patterns of Job Shifts  246  
Job-Shift Patterns as a Focus of Study  247  
Why Study Job Shifts?  247  
Explaining Job Shifts: Some Considerations  249  
Analytical Strategies in Modeling Job Shifts  251  
Historical Trends of Job Shift Patterns  253  
Explaining Job Shift Patterns Across Historical Periods  255  
External Job Shifts: Moves Across Types of Organizations  255  
Internal Job Shifts: Moves Within Types of Organizations  261  
External Job Shifts: Moves Across Economic Sectors  265  
Chapter Summary  269  

10 Economic Transformation and Life Chances: A Life-Course Perspective  272  
Institutional Changes and Life-Course Implications  274  
Empirical Implications  277  
Job-Shift Patterns: Cohort Difference in Response to Opportunities  277  
Determinants of Personal Income: Cohort Variations in Economic Resources  279  
Historical Context, Cohort Attributes, and Evolving Opportunity Structures  280
## Contents

Response to Opportunities and Risks: Cohort Variations in Job-Shift Patterns  
Cohort Variations in Economic Rewards  
Chapter Summary

### PART THREE, SUMMARY AND CONCLUSION

#### 11 Social Stratification Under State Socialism: Summary and Assessment

- The Bureaucratic Class Thesis Revisited  
- Socioeconomic Status and Bureaucratic Privileges  
- Authority Relationships in Work Organizations  
- Intergenerational Status Inheritance  
- A Summing Up  
- Human Capital Versus Political Capital  
- Redistributive Institutions in Social Stratification  
- Stratification Dynamics Under State Socialism: Theoretical Implications  
- Further Issues

#### 12 Stratification Dynamics and Institutional Transformation

- Rethinking State–Society Relationship Under State Socialism  
- Imageries of Society under State Socialism  
- An Institutional Model of Unorganized Interests and Collective Action  
- Stratification Dynamics and State–Society Relationship: Further Considerations  
- The Social Basis of Institutional Transformation in China  
- Erosion of the Organizational Basis of Redistribution  
- Life Experiences and Ideological Crises  
- From Social Stratification to Institutional Transformation  
- Beyond China and Beyond State Socialism

**References**  
**Index**
Figures


2.1b. Composition of urban labor force across sectors in the sample, 1951–91 (5-year average)

2.2a. Composition of type of organizations in the state sector (5-year average)

2.2b. Composition of type of organizations in the nonstate sector (5-year average)

2.3a. Composition of cadres, professionals and office workers, 1951–91 (5-year average)

2.3b. Composition of workers and self-employed, 1951–91 (5-year average)

2.4. Composition of industrial output across sectors, 1952–94

2.5. Enrollment rates at three educational levels, 1949–94 (official statistics)

2.6. Distribution of educational levels in the sample, 1951–91 (5-year average)

3.1. Rates of entry into four educational levels in the sample, 1953–88 (5-year average)

3.2. Number of higher education institutions, 1949–94

3.3a. Rates of entry into high school, by the father's occupation (5-year average)

3.3b. Rates of entry into college, by the father's occupation (5-year average)

3.4. Transition rates by period and gender
Figures

3.5a. Transition rates to high school by period and father education 91
3.5b. Transition rates to college by period and father education 92
3.6a. Transition rates to high school by period and class label 94
3.6b. Transition rates to college by period and class label 95
4.1. Hazard rates of entry into first occupations, 1949–92 104
4.2a. Hazard rates of entry into first organizations, the state and collective sectors, 1949–92 106
4.2b. Hazard rates of entry into first organizations, hybrid firm and farm, 1949–92 106
4.3. Rates of entering types of occupations for college graduates, by period 116
4.4. Rates of entering types of organizations for college graduates, by period 119
5.1. Hazard rates of entry into first job, 1967–78 132
5.2. Hazard rates of return to urban areas, 1967–87 132
5.3. Distribution of age at marriage among three groups 144
5.4. Distribution of age at birth of first child among three groups 144
6.1. The administrative rank system 158
6.2. The professional rank system 160
6.3. Hazard rates of entry into CCP, administrative, and professional occupations (1950–93) 171
6.4. Hazard rates of promotion in national bureaucratic system (1950–93) 173
6.5. Age effects on entry into CCP, administrative, and professional occupations (1980–94) 177
6.6. Age effects on promotion rates, 1980–94 186
7.1. Comparison of income in national and sample statistics 203
7.2. Log-rates of income for female and college education (selected years) 206
7.3. Log-rates of income for cadres and professionals (selected years) 207
7.4. Log-rates of income for type of organizations (selected years) 208
9.1 Hazard rates of job shifts to the state sector 254
9.2 Hazard rates of job shifts to collective and nonstate firms 254
10.1 Distribution of first-job destinations, by cohort 281
10.2 Distribution of job destinations in 1993, by cohort 282
Tables

1.1. A partial list of political campaigns in China, 1949–1994  

2.1. Distribution of the sample size across provinces and cities  

3.1. Likelihood ratio tests of improvement in model fit  
3.2. Parameter estimates of logistic regression models of probability of entering three educational levels, by historical period  
3.3. Parameter estimates of class background effects on probability of entering three educational levels, by historical period  

4.1. Parameter estimates of logistic model for entry into first occupation (reference category: worker)  
4.2. Parameter estimates of logistic model for entry into first organization (reference category: collective firm)  
4.3. Parameter estimates of logistic model for entry into first occupation, by period (reference category: worker)  
4.4. Parameter estimates of logistic model for entry into first organization, by period (reference category: collective firm)  
4.5. Parameter estimates of logistic model for entry into first work organization, using “family class background” by period  
Tables

5.2. Parameter estimates of logistic model for Probability of Returning to Urban Areas, return to urban areas = 1, 1967–1977
5.3. Descriptive and test statistics of group differences in experiencing life-course events
5.4. OLS estimates of the determinants of income, selected years
6.1. Parameter estimates of logistic model for entry into the cadre occupation, by period
6.2. Parameter estimates of logistic model for entry into the Communist Party, by period
6.3. GEE estimates of the determinants of promotion patterns in the Chinese bureaucracy
6.4. GEE estimates of the determinants of promotion patterns in work organizations
7.1. OLS estimates of the determinants of log(income), selected years
7.2. Parameter estimates of the determinants of log(income) in the full mixed model
7.3. Parameter estimates of the determinants of log(income) in the mixed model, by region
8.1. Distribution of welfare expenditure, by type of organization
8.2. Distribution of expenditure on housing construction, by type of organization
8.3. OLS estimates of the determinants of living space (log[square meter]), selected years
8.4. Parameter estimates of the Poisson model for number of facilities, selected years
9.1. Parameter estimates of logistic model for job shifts outside type of work organization, by period
9.2. Parameter estimates of logistic model for job shifts within type of organization, by period
9.3. Parameter estimates of logistic model for job shifts outside economic sectors, by period
10.1. Descriptive statistics of three cohorts of workers in urban China, 1993
10.2. Parameter estimates of logistic model for job shifts across type of organizations in the reform era (1980–94), by cohort
Tables xvii

10.3. OLS Parameter estimates of determinants of 1993 income for three cohorts of workers in urban China 291
11.1. Summary of returns to bureaucratic positions 301
11.2. Gini Coefficients of income inequality across countries 304
11.3. Summary of findings on intergenerational status inheritance 307
11.4. Summary of findings on returns to education 310
11.5. Summary of findings on returns to organizations (the state sector) 312
This book is about the impact of the state and state policies on ordinary citizens, and how individual lives have been shaped and reshaped by the political twists and turns in the People's Republic of China, from 1949 to 1994. Behind the lifeless numbers, statistics, and academic jargon in this book, I want to tell stories of real people – there were millions of them – who lived through a political environment that witnessed major and often volatile changes in the forty-five-year history of the People's Republic of China. My academic training has taught me to be abstract in theoretical arguments, rigorous in statistical analysis, and systematic in presenting empirical evidence, often, unfortunately, at the expense of real people and real lives. While I was working on research for this book, different images often came to my mind from my personal experience when I grew up in China and from the recollections of many others with whom I am acquainted. It is these real life stories that made up the statistical patterns reported in this book.

I want to share some of these stories with the reader as an introduction to the context of this study. Let me begin with a Chinese scholar I met in the 1980s. He was a talented student in a university in Beijing in the 1950s. During the Hundred-Flower period, he responded to the government’s advocacy to criticize the misconducts of the officials in his university. One thing led to another, and for reasons no one could comprehend, he was put in prison – for more than twenty years. Even today, his wife told me, because of the imprinting from his long prison experience, he only sleeps on one side of the bed and turns over in bed on the same spot, no matter how big the bed is.
Preface

A friend of mine went to a labor farm in a remote region with his family when he was only six, because his father was purged in the political campaign and sent there. The economic disaster in the early 1960s hit that farm especially hard; many died of starvation. He vividly recalled, witnessed from a child's eyes, that even those who carried the dead bodies for burial were trembling, because they were so hungry that they could barely support their legs. When he left the farm a few years later, of several hundred laborers working there, only a few dozen remained.

Zhaohui, my wife, told me her own experience. When she was a little girl during the Cultural Revolution, her mother was routinely called to the meetings by the “red guards” to be “criticized” simply because of her “exploiting class” family background. Often Zhaohui would walk alone to the corner of the street late at night, waiting for her mother to return. “Many times,” she said in a low voice, “I had a feeling that my mother would never come back.”

I still have a vivid memory of the humiliation and despair I felt when I saw my father’s name on a “Big Character Poster” in a public place in the Cultural Revolution, revealing his “exploiting class” background. As I walked home that day, I felt as if the sky were falling on me, and I tried to avoid anyone on the street. I was only seven or eight years old at the time. When I first began working on this book, my daughter was about that age. Often times when I saw her innocent eyes, I could not help but realize how fast the political turbulence has pushed a young generation to mature!

These stories are by no means extraordinary ones that I deliberately sought for sensational reasons. Any individual who lived through the political turbulence in China can narrate many similar and even more dramatic experiences. They were part of everyday life experience in those years! Indeed, through the lens of social stratification patterns in this book, we can observe many different, often contradicting, images of state socialist China in the second half of the twentieth century. On the one hand, it is undeniable that, in the forty-five-year history of the People’s Republic of China, there were impressive improvements in different aspects of living standards for the Chinese people and in equalizing opportunities among social groups. At the same time, we also witnessed the ups and downs of individual career trajectories, the losses and regains of opportunities, the break-ups and reunions of families, and the political purges and rehabilitations of cadres and intellectuals. This book reports my efforts to describe, analyze, and explain these ironies and multifaceted patterns of political and social changes and their impacts on individuals’ lives.
Preface

In the course of working on the research reported in this book, I have accumulated much debt to colleagues and friends. I want to especially thank Phyllis Moen and Nancy Brandon Tuma, who collaborated with me on this project from the very beginning and who co-authored several publications that are adapted into this book. I learned statistical modeling methods from Nancy and life-course research from Phyllis, and they left their marks on many aspects of this book. But their influence on me far exceeds this research project. Through our collaborations over the years, they continued to educate me, nurture my professional development, and push me to think clearly about the theoretical and analytical issues pursued in this book. To them I am forever in debt. I thank Liren Hou, Lin Lu, Olga Suhomlinova, and Wei Zhao – my research assistants, friends, collaborators, and colleagues – who have provided not only valuable research assistance but also invaluable friendship throughout this process. I thank Yanjie Bian, Ronald Breiger, Claudia Buchmann, Debbie Davis, Tom DiPrete, Ken Land, Tom Gold, Nan Lin, Victor Nee, Angie O’Rand, Bill Parish, Ken Spenner, David Stark, Andy Walder, Feng Wang, Marty Whyte, John Wilson, and Yu Xie who have commented and helped me improve on my work over the years. A special thanks goes to David Grusky, whose initial encouragement jump started this book project. Although this book is on China my scholarship has been built on many years of learning from my teachers Jim Macch, John Meyer, Dick Scott, and Buzz Zelditch. I am grateful to Alia Winters, my editor at Cambridge University Press, whose guidance and help has made this publishing process an enjoyable experience!

This project first took shape when I taught in the Department of Sociology, Cornell University. My current institution, Duke University and the Department of Sociology there, has provided generous support for my research over the years. This project began with a pilot study in which we collected data in Beijing and Shanghai in the summer of 1993. The pilot study was funded by small grants from ASA/NSF Fund for the Advancement of the Discipline, the Lam Fund, and Halpern Fund from the East Asian Program at Cornell University. The main data collection for this project was carried out from June to December 1994. It was funded by a grant from NSF (SBR-9413540) and carried out with the collaboration of the Institute of Sociology at Tianjin Academy of Social Sciences, and the Departments of Sociology at Fudan University and at the People's University. I am grateful to Fan Weida, Li Qiang, Pan Yunkang, Peng Xizhe, and Wang Hui, as well as to many students and researchers in these institutions, for their help in the data collection. A Spencer Fellowship
from the National Academy of Education allowed me to take a leave from Duke University to organize the survey in the field. I thank the funding institutions for their support of this project. As usual, they are not responsible for the analyses and opinions expressed in this book.

My greatest gratitude goes to my parents. In those difficult days when most books were forbidden in my native country, they carefully protected and nurtured a young, curious mind. Without their inspiration, my intellectual career would have ended after high school.

Finally, I want to thank Zhaohui Xue, my wife, and Katie, my daughter. They have quietly but unfailingly supported me and my work, and tolerated my late hours, disrupted schedules, and absences from birthdays and holidays when I was on research trips. To them I dedicate this book.
I thank several publishers for their copyright permission to use the following materials from their publications:

Part of Table 11.2 in Chapter 11 is reproduced from *Economic Transformation in Eastern Europe and the Distribution of Income*, edited by Anthony Barnes Atkinson and John Micklewright. © 1992, with permission from Cambridge University Press. Table 4.1 on page 81.

Part of Table 11.2 in Chapter 11 is reproduced from *Changing Patterns in the Distribution of Economic Welfare*, edited by Peter Gottschalk, Bjorn A. Gustafsson, and Edward E. Palmer. © 1997, with permission from Cambridge University Press. Table 3.1 on page 39.

Part of Table 11.2 in Chapter 11 is reproduced from *China's Retreat from Equality*, edited by Carl Riskin, Zhao Renwei, and Li Shi. © 2001, with permission from M. E. Sharpe, Inc. Tables 2.1 and 2.2 on p. 28.

Quotation from Franz Schurmann at the beginning of Chapter 1 is reproduced from *Ideology and Organization in Communist China*, by Franz Schurmann. © 1968, with permission from University of California Press. P. xxxvi.


I also thank the following publishers and academic associations for their copyright permissions to reprint or adapt portions of the following pieces in this book:


Finally, I note that almost all statistical information reported was reanalyzed using updated data and alternative statistical models when I adapted these previous publications into this book. In addition Chapters 3 and 9 were also based on previous publications but were thoroughly revised for this book.