

# Social Stratification and Mobility in Contemporary China: An Analysis based on Weberian Theory

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## Abstract

**In the past six decades, China's economic system has changed from a planned economy to a market economy. In this process, social capital has undergone many processes of concentration and decentralization. The degree of mobility between different classes of society reflects to a certain extent. The level of economic and capital accumulation of the times. This paper uses Weber's theory to analyze the localization of social class movement in China. Use the characteristics of social systems with Chinese characteristics, such as Hukou (household registration system), Danwei and Gaokao (college entrance examination system), to analyze the degree of solidification of contemporary Chinese social classes and the reasons for the gradual weakening of social mobility between generations.**

## Keywords

**Weberian theory; Social stratification; Social mobility; China; Social class; Danwei; Hukou; Gaokao.**

## 1. Introduction

With the establishment of the socialist market economy in 1992, social resources had a trend of re-aggregating. In addition, due to the accession to the WTO, the technological revolution and the popularization of higher education, more high-tech industries create new job opportunities, while some traditional industries are being phased out. Therefore, the gap between social classes is widening and the vertical mobility of the hierarchy is weakened.

This paper will first elaborate the social stratification and mobility from Weberian perspective, and analyze the current social stratification and mobility issues in China through three systems, including Hukou, Danwei, and Gaokao.

## 2. Definitions of Social Stratification and Mobility

Social stratification refers to processes and phenomena that are divided into different levels of order according to the attributes of social significance [1]. Scholars who study stratification generally believe that occupation is a comprehensive indicator that determines and reflects the social status of an individual while considering the education and income situation [2]. Social mobility refers to changes in individuals or groups in society at different levels, which can be divided into intragenerational and intergenerational mobility [1].

## 3. The Fracture of Social Stratification in China

### 3.1. Internal Identification of Social Classes Is Strengthened

Chinese social stratification has developed a phenomenon of fracture, internal identification of social classes is one of the reasons. According to Weberian theory, people of the same social class share common economic resources, which strongly affect the lifestyle and standards of

living. Since the establishment of the Socialist market economy in 1992, the overall capital elite group that holds cultural, political and economic capitals has generally developed in China. The “social closure” theory in Open and Closed Social Relations proposed that social groups use a monopoly to establish and strengthen their membership, in order to maximize their interests [3]. Through the mutual alliance between elite groups, they successfully exclude non-elite groups and reproduce through transformation between elite intergenerational generations.

### **3.2. The Boundary of Social Stratification Is Clearly Divided and Widening**

In the process of transitioning from a socialist planned economy to a market economy, the distribution of social resources has shifted from dispersion to re-aggregation [3]. Limited resources are controlled by a few elites, moreover, explicit income gaps and the implicit welfare gaps exist not only between urban and rural residents, but also between urban residents and immigrants [1].

In addition, China’s accession to the WTO has deepened the gap between social stratification and a great impact on the Chinese unemployment problem. Although new occupations have arisen due to the adjustment of the labor structure, the emergence of lay-off workers has become inevitable [4]. The laid-off workers are typically above 35 to 40 years old and wages are the main sources for family life. However, the emerging industry relies on young professionals who have higher education and skills, the unemployed have no possibility of returning to the leading industries. More seriously, unemployment in China leads to loss of welfare and social security, causing difficulties in housing, medical and education, which means that they have been completely eliminated by society, the gap in living standards is gradually widening and difficult to make up.

### **3.3. Danwei System: The Institutional Reason for the Increasing Internal Identity of Classes**

Danwei is considered to be one of the three basic urban organization systems in addition to Hukou and Juweihui) in China, it not only causes a great overlap between communities and work units [4], but also increases the internal identity of social classes.

First, the Danwei system incorporates almost all members of urban society into the organizational system that undeviatingly related to the state, making the city highly organized and promoting the efficient allocation of social resources within the organization. Moreover, Danwei is used to determine the identity of members in society. Once left, people will lose their social status and resources, thus making the members of the organization highly dependent on the unit and establishing a relatively independent and closed social community.

Therefore, Danwei provides a stable working environment and welfare resources for members of society, which is considered to be an “iron rice bowl” (Tiefanwan) [5]. Thus it is natural to form intergenerational transmission in both thoughts and social statuses, such as the phenomenon Guanerdai is the representation of the inheritance enhancement in intergenerational mobility [6].

### **3.4. Hukou System: The Institutional Reason for the Clear Boundary of Social Classes**

The Hukou (household registration) system of the pre-reform China divided rural and urban population, restricted their free mobility (the 1960s), and they enjoyed the different economic and social treatments.

As urban residents live more dependent on urban infrastructure and international imports since the 1990s [4], the demand for rural labor has decreased, a growing number of rural people flooding into the city, thus, “Nongmingong” becomes a labor group with Chinese characteristics [4]. However, due to the restriction of Hukou system, those peasants are considered temporary

residents of the city (since 1985) and are excluded from the mainstream labor market. Even if there is no advantage in income, a considerable number of Nongmingong choose to stay in the city to obtain more educational opportunities, medical resources and social security resources. but they cannot enjoy these resources as urban residents, and it is the separation of these that prevents them from integrating into the city. [7, 8].

In summary, the Hukou system in China emphasizes the importance of geographical origins, resulting in resource differences between urban and rural residents, which in turn leads to increased stratum differentiation.

## 4. The Increasing Impact of Family Background on Social Mobility

### 4.1. Intergenerational Mobility

Some scholars analyze the reason for social mobility from an intergenerational perspective, which proposed that the measures of intergenerational mobility are relevant to education or income between generations: the more relevant education and income intergenerationally, the lower the intergenerational mobility of society [9].

The following table summarizes the intergenerational mobility levels from the post-60s to the post-90s in different economic and educational contexts. It shows that the levels of intergenerational mobility have a U-shaped trend and the social and economic capitals of the family play an increasingly important role.

**Table 1.** Employment features and intergenerational mobility levels from the post-60s to the post-90s in different economic and educational contexts

Ages	Economic background	Education features	Employment features	Inter-generational mobility
Post-60s	Equality in a planned economy	Cultural revolution	Abolish the "Child Succession System" of the job	High
Post-70s	Differentiation under the market economy	Educational expansion	Developing the socialist market economic system	Low
Post-80s	Increased gap between rich and poor	The popularization of compulsory education	- The Hukou system was slightly loosed - The private economy was developing	Middle
Post-90s	Economic globalization	Higher education was more common	- limited opportunities - Fierce competition	Low

### 4.2. Gaokao System: A Reductive Trend of Intragenerational Vertical Social Mobility

The Weberian theory believes that social class formulation rests on the economic position of personal skills and marketable qualifications, such as education. With the return rate on education has been rising over the past two decades, Gaokao (the college entrance examination) and the Chinese education system it represents have become an important factor in achieving vertical social mobility. Therefore, "knowledge can alter fate" is regarded as the only way to change family conditions and enhance social status of "Hanmenxuezi".

However, due to the popularity of higher education and the employment pressure of recent graduates has been increasing in these years, people are accustomed to transforming social and economic resources into the educational advantage of the next generation [8], such as the urban high-priced school districts crowd out low-income families outside of advantageous educational resources [4]. Therefore, "it is difficult for poor families to raise an honorable son" has become a major phenomenon in current society, thus, children of poor families to change their social status through education are increasingly hopeless.

## 5. Conclusion

In conclusion, with the implementation of the socialist market economy in China and the re-aggregation of social resources, a small number of elites hold most of the resources in society. As social members are divided by Hukou and Danwei systems, the internal identity of the class is gradually strengthened. Moreover, the urban-rural dual structure has further expanded the income and resource gap between urban and rural areas. The boundaries between social classes are deepening, the role of family background in social mobility is becoming more important and the effect of Gaokao on the mobility of social classes is gradually decreasing. All the above characteristics cause the difficulty of social mobility and fracture of social stratification in the contemporary Chinese society.

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