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Title

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Permalink

<https://escholarship.org/uc/item/3ch365t6>

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Publication Date

2000-12-28

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Acknowledgements

I would like to thank CIBER and the UCLA/CEAS for inviting me to present this paper at the graduate student conference in Ventura. I also want to acknowledge the very useful and insightful feedback and suggestions that I received from Richard Baum, Jose de la Torre, James Tong, and Yunxiang Yan, as well as from the other conference participants. I regret that I was not able to incorporate more of the suggestions that I received into this version of the paper, but, since I still intend this paper to be read as a work in progress, I look forward to using them in future revisions. The CIBER and UCLA/CEAS office staff also deserve much credit for providing superior organization and support.

Introduction

The social dimensions of economic transition that make headlines -- unemployment, corruption, the reemergence of prostitution and drug use, a huge floating population, and the rise of new millionaires -- tend to sensationalize the changes taking place on the Chinese social landscape. Yet there are other changes that have been no less dramatic for the individuals who experience them, and economic transition could not be taking place without them. Many of these new features may seem so familiar to the Western reader that it is hard to understand what is new about them. However, when highlighted against the way things were before, even eight years earlier, it is clear that the changes are real and significant. Among the most striking social changes affecting ordinary Chinese is increasing social differentiation, an important dimension of which is the emergence of an urban middle class.

In this paper I will describe some of the signs of transition that are evidenced in interviews I conducted in China in 1997-98 among members of this emerging social class. These interviews focused mainly on the career paths of young English teachers and business managers, who had

been my colleagues and students when I taught English at a business college in a major provincial city (the MPC), in a coastal province in China, from the fall of 1989 through the spring of 1990. I was interested in how economic transition had influenced their careers, including the value of their education, opportunities available, decision-making processes, career goals, and job satisfaction. I was also interested in what they thought about the changes in China in general. With the exception of one English teacher, this paper is about my former students, who are now managers in a range of companies and government departments at the provincial level, and will focus on concerns central to all of the interviews: the growing importance of money and income differences, mobility and travel, and personal conflicts and reassessments.

The Way Things Were

Mainland urban Chinese society, even in the early 1990s, was characterized by a high degree of homogeneity. A narrow income range was matched by limited availability of products, and material conditions were matched by social norms that stressed conformity and thrift. The sameness was visual -- from architecture and clothing, to landscaping and shop displays. It was also social: marriage and parenthood were nearly universal (they still are) and most people expected to stay in the same workplace for their entire careers (which is no longer the case). I am not the only American English teacher who remembers the strangeness of hearing a student respond to a request for her or his opinion with “we think...” and wondering at the student’s obvious discomfort when we insisted “I want to know what *you* think.”

The important social categories were whether a person’s official residency was in the city or country, what kind of work unit they ‘belonged to,’ whether one was a worker or a cadre, what one’s family class background was, and whether or not one was a member of the Communist Party. Although these systems of classification have not yet become entirely irrelevant, their importance has been rapidly declining. Individuals, moreover, did not generally distinguish themselves according to their incomes (and the kind of cars they drove), their career and mobility strategies, professional identities, or the difficult work or family decisions they had had to make (at least in part because there was not much meaningful variation in them). However these were all main themes in my interviews and observations in 1997-98.

Eight Years Later

My own experience upon returning to the MPC after eight years absence was that it was both very different and very much the same. Many of the sights and sounds that greeted me as I revisited the streets of the MPC seemed the same, and as different from the US, as before. I soon learned from my former students and colleagues, however, that many things were not the same at all. As Teacher Zhang said, "Some of the changes in China now even we Chinese can't believe."

Talk about money and income differences

When talking with Teacher Zhang about my former students, the theme he repeated again and again is that they are all "really rich now, even Student #1." Now, instead of pulling his *liang piao* out of his pocket and revealing to me the workings of the food subsidy system, he pulled out his pay stub and showed me, item by item, that his salary plus bonus plus subsidies amounted to only about 600 yuan per month. This was far less than even the lowest paid of my former students, who were making well over 1000 yuan per month. One of the differences highlighted by Teacher Zhang's concern about his paycheck was not only his limited ability to enjoy the wide array of goods now available for purchase, but that more things could only be had by purchase because of the decline in subsidies and in-kind distributions. Money was acquiring a new importance in both practical and symbolic terms.

For Teacher Zhang, income was a major, noteworthy difference between my former students and himself. Since even the poorest paid of these young managerial professionals were making significantly more than he was, Teacher Zhang was not highly sensitive to the wide variations in income among the former students (hereafter referred to simply as students). Yet the students expressed a high degree of awareness of the distinctions among themselves.

Student #1 was making 1,300 yuan per month as a loan officer in a commercial bank. His wife, working in a different position for the same bank, was earning the same amount. He knew that his classmates who were now working in foreign trade companies were making more than he was, but he still felt that his salary was good -- higher than average. According to Student #1, the average salary in The MPC at that time was about 800 yuan per month -- the same amount I earned as an English teacher from 1989-92. When I asked him how he chose to work in a bank, he answered that, "too many people want to work in foreign trade." And when I asked why this bank, he said because "I applied to many places and they were the first to offer me a job."

For the more ambitious students who were pursuing careers in business and trade, salaries more than twice as high as student #1's were not enough. Student #2, for instance, was making 3,200 yuan per month and felt that he was being held back financially, and also professionally, by the business style and norms of working in a large company. He had traveled widely abroad and I sensed that part of his dissatisfaction stemmed from comparisons between his income, living standards, and working conditions with those of his business partners in other countries. In contrast, Student #1's travel had all been within China and he tended to compare himself financially with other Chinese workers who were less well off than himself.

Student #3 offered a different perspective. An ambitious and talented student, he explained that his career had been adversely affected because the timing of his graduation coincided with the height of the political fallout from the 1989 student movement. Consequently, Student #3 had been required to return to his hometown, a small county seat near the coast, after graduation. Because of this, he had chosen to accept a position in the local government department in charge of foreign trade and investment, rather than work for a local foreign trade company.

The students who were able to stay in The MPC were able to engage in foreign trade. And do you remember Student #4? She's very rich now because her job gives her a lot of opportunities. My classmates who went back to their hometowns, like me, are mostly working for the government...The reason for this is very simple, it's because the foreign trade companies in the smaller cities and counties are not very good.

As Student #3 pointed out in the above quote, and he did so with more than a touch of envy in his voice, his classmates who were able to stay in The MPC were able to engage in foreign trade, which was the college major of all of my students, and thereby have greater access to opportunities and rewards. He and Student #4 had been the best English students in the class. Unfortunately, I was not able to find out how Student #4 had managed to stay and work in the MPC, while Student #3 had not.

I don't want to overstate the case that talking about money and differences in wealth is something new. Whenever I have been to China (1983, 1989-92, 1997-98) people have generally been interested in how much money others make and willing to talk about matters of money and income quite directly. In 1989-90, however, there was great interest in how much money *I* made and how much money could be made in the US; there was simply not enough difference in most Chinese incomes to be of much interest. In 1997-98, there was enough of an emerging income

gap and enough sense of opportunities to make money in China to make this a topic of great interest.

Mobility: moving among places and positions

Geographic and occupational mobility have been central to economic transition in China. Particular attention has been paid to the massive movements of people from the countryside to the cities, and the accompanying social problems and restructurings. Talking with my former students revealed other ways that geography and mobility were having dramatic impacts, especially on career trajectories and self-understandings. Above, I discussed how location and travel appeared to influence how my former students compared themselves with others, especially in terms of *which* others they found salient to compare themselves with. In the 1980s and through the early 1990s travel and mobility had been highly restricted. Accordingly, talk about travel and people in other places often had a quality of fantasy or abstractness about it. In 1997-98 there were at least three ways in which mobility and travel had become concretely relevant. Among those who had traveled extensively in China and abroad, the experience of travel appeared to be linked with a new kind of self-reflection or self-awareness. For those who had not had much opportunity to travel or who had ended up in geographical or occupational locations with limited opportunities compared with their expectations, the chance for travel and moving offered the possibility of a desired change. Finally, those whose current positions offered something, but not enough to make them satisfied, were often pursuing multiple strategies, and thus moving among several positions while staying in the same location.

Students #2, 4, 5, and 6 were focusing their energies on their present jobs and in taking advantages of the opportunities these jobs offered. It was those like Student #3, who were ambitious but had not landed the best jobs, particularly jobs in foreign trade companies, who were pursuing multiple strategies for creating opportunities for themselves. Student #3 did this, on the one hand, by running a small retail stall which provided additional income; and on the other hand, by studying to take the entrance exam to the foreign trade university in Beijing (and still on a “third” hand by starting the process of becoming a party member, necessary for advancement within the government). Student #3’s entrepreneurial spirit is evidenced in that the retail stall was in a market established specifically for unemployed workers. The stall was ostensibly run as a partnership between Student #3 and a relative who was, in fact, a laid off

worker, but by all appearances it was Student #3 and his wife who did all the work of operating the business.

Student #3 kept alive the hope of someday working in a foreign trade company via the possibility of moving to Beijing and getting an advanced business degree. Teacher Zhang was also keeping alive hopes of advancement by applying to a program that would take him to Australia, at least for several years, to pursue advanced training in economic education.

Teacher Zhang also noted that traveling to Beijing caused him to reflect on the conservatism of the MPC: "Things have really changed a lot here, but there are still big differences between Beijing and The MPC. Compared to Beijing, The MPC is more conservative." To illustrate this he told the following story:

When I went to Beijing to do the application procedures for the program in Australia, I met some applicants from other parts of China, and one of them remarked that 'people in Beijing only care about one thing: money.' In The MPC people still care about what other people think about them. They will consider whether something is moral or not. But in Beijing they no longer worry about such things.

Student #1, discussed earlier, while relatively satisfied with his monthly income, turned out to be conflicted about other dimensions of his life. It was only after his work started taking him regularly to places like Beijing and Shanghai, however, that he started doubting some of the decisions he had made. As he said, "I never imagined the kinds of opportunities like exist now in places like Beijing and Shanghai. If I had known, I don't think I would have married and started a family so young. The MPC is very conservative. I think that the active life of young people in other cities is more suitable to me."

For Student #1, the conservatism of the MPC came to be seen as a drawback, but in Teacher Zhang's story it is associated with the positive qualities of valuing social relationships and morality. Another former student seemed to share Teacher Zhang's view. She was living in Guangzhou at the time of our interview, but she said that she planned to move back to the MPC because people in Guangzhou were too materialistic.

Traveling within China lead individuals to reassess the MPC and their feelings about living there. In the case of Student #1, it had lead to a radical shift in his assessment of his career and family decisions. The interviewees whose work took them abroad, reflected less on the MPC per se and more on their particular work situations, which in fact tied them closely to the MPC, and

the relationship between China's development and the potential of their own careers. Student #5, Student #2, and Student #6 all belong to this group. Student #5 and Student #2 were both rising stars in foreign trade companies in The MPC. Student #5's business took him annually to Europe. Student #2's work had taken him to many countries in Europe and the Middle East. Student #6 worked for the foreign trade department of a single, very large, manufacturing company which at the time was developing an important cooperative venture with a partner in India. It was interesting to me to see how each individual's career highlighted different areas of the globe. Their experiences of traveling abroad distinguished them.

Of all the students I interviewed, Student #6 seemed the most content. He had risen quickly within his firm and been granted a good deal of responsibility. He expressed satisfaction with both the level of challenge and the level of reward. There may well have been an element of personal character involved, but since he was the only student I interviewed in this type of work situation the nature of the work playing an independent role should not be ruled out. As Student #6 described it:

Our company...belongs to the Province. The head of our board of directors is...appointed by the provincial government. This is a special characteristic of this stage of China's development. There are many companies now that are fully privately owned and operated, but that's impossible for a company as large as ours. Our company is the second largest producer of product X in the world. The largest producer in the world is a European company. We visited them on our last trip to Europe. Right now we've started some business with India which looks quite promising. We had already had some contact with some companies there, but only on this last business trip did we sign some contracts and really get the business going. It seems that our two sides, India and China, are quite complementary in terms of the X industry, we are good at processing the materials and they are good at making the final product.

One possibility is that this arrangement gave Student #6 the best of both worlds. That is, by being a profitable large company, it provided a sense of security and a positive group identity (perhaps reminiscent of the conditions that the students had all grown up under), while still offering opportunities for advancement and self-development. Different from the young men working for import/export companies, Student #6 expressed no thoughts of leaving his company or that working for a large company was in any way a hindrance to his advancement. His contentedness is indicated by his lack of interest in going to the US.

We're sending a new guy to run our office in America; there's one problem, though, he doesn't speak English. Maybe I could have the chance to run the office in the US, but right now I don't want to do that, for two reasons. One is that I've got some very promising projects elsewhere that I want to continue working on. I think these projects are more important for my future advancement. The other reason is my family. I don't want to leave my wife with all of the responsibility for my baby. In fact, I don't think she needs my help very much in taking care of the baby, but she does want me to be around to have the feeling of being a family.

The irony of sending a non-English speaker to run the US office was not lost on this young manager and helps to highlight the importance he placed on his other projects and his family.

Perhaps it is unsurprising that those who had the most contact with foreign people and places, the rising stars, were the most impatient with China's pace of development, with many conventional Chinese business practices, and with the level of their incomes (which were several times higher than the average). Student #5, for instance, finally left his first employer, an import/export company with over 1,000 employees, because, "It was hard for me to develop myself. There is a lot of competition for good jobs, and I'm a young man. It is hard for a young man to move up in a big company." At the time of the interview he was working as the head of an import/export company with about 50 employees, where, he said, "my coworkers call me 'crazy work,' because I work so much."

Student #2 described a similar experience of a rapid rise in a big import/export company and of facing the decision of whether to stay or leave. He was from the youngest group of students that I had taught, the class that entered the business college in 1989, yet he'd already traveled on business to Egypt, Belgium, the Netherlands, Germany, France, Turkey, Iran, and Saudi Arabia. By comparing China and Chinese business practices with the places and styles of doing business he'd encountered in his travels and work, he situated himself and his own ideas about doing business: nationally, generationally, and philosophically.

I don't like Egyptians, Iraqis, or Saudis; they're not nice people. They try to cheat you. On the other hand, I like the Turkish, and I like the Germans; they're clean, orderly and on time. I think the Japanese way of doing business is good: Once a contract is signed they will honor it, even if costs rise and they have to take a loss. I told my manager that we ought to do the same thing, but he said we can't sell at a loss; we can't lose money. I think it's better to lose money if it means we gain trust and a good relationship. My manager's way of thinking is an old way of thinking.

Traveling abroad had given this young man a new conceptual vocabulary of contrasts with which he was beginning to articulate his own business principles and self-understanding. It is also interesting to note here again the tension money and relationships, and that in this case the practice of ‘taking a loss for the sake of a relationship’ is treated as progressive rather than conservative.

Talking about the self

Most of my time with Student #2 was spent discussing his dilemma over whether to stay with his current company or leave and start his own company. His dilemma hinged on the strong feelings of loyalty he felt toward his manager, whose support had been crucial for his rapid advancement within the company, and similarly strong disapproval of his manager's way of doing business. This was accompanied by the feeling, similar to Student #5's, that staying in the big company was ultimately going to hold him back. Pushing Student #2 away from the big company he worked for was his dislike of the business practices of his manager; while pulling him away were a number of clients who had not only promised to give him their business, but were actively encouraging him to move out on his own.

The urgency with which he pressed me, as his former teacher, for an answer to his dilemma gave me a sense of how difficult this matter was for him to resolve. Perhaps Student #2 can be taken to exemplify the local sensibility that Teacher Zhang describes above: despite his economic mobility and aspirations, he still cares what people think of him. He may also have been extremely uncomfortable because nothing in his upbringing or education had prepared him to deal with this kind of decision-making and internal conflict. His was only the most explicit example of internal conflicts arising from new conditions associated with economic transition. Student #1, for example, was conflicted over responsibility to his family in light of his desire to leave the MPC and experience the risk and excitement of life in a place like Shanghai. As decision-making becomes increasingly understood as located within the individual, there are signs of pressures to think less in terms of “we” and more in terms of “I.” Some people will be eager to make this shift, while others will consider it more reluctantly.

Conclusion

The data from these interviews tends to highlight the ways in which young Chinese managers are becoming more like their counterparts in other modern and modernizing societies. If nothing else, their self-consciousness about many things that Americans take for granted, such as income differences and job changes, speaks to something new about the way these issues are being experienced. We know that globalization has presented us with the paradox of increasing homogenization along with increasing differentiation and localization. It will be important for future research to explore both the ways that Chinese society, and its emerging middle class, is becoming more similar to other modern, technologically and commercially driven societies, and how it remains distinctive.