

A Path Analysis of the Impact of Economic Status on Higher Education in China

Yizi Liu *

University of Manchester, Manchester, United Kingdom

* Corresponding Author Email: yizi.liu@student.manchester.ac.uk

Abstract. Over the decades, as China's education system has been updated, the number of students entering universities for higher education has increased. This is not only a reflection of the rapid economic growth that China has achieved, but also an important aspect of the high quality development of Chinese education. The college entrance examination is an important link for Chinese students to enter universities and a transit point before they enter society. However, differences in scores on the college entrance examination not only represent differences in academic ability, but also reveal the economic status of the families behind the students. This paper analyzes the differences in economic status, aiming to find out the extent to which economic status affects Chinese students' entry into universities. The graphs show how much differences in GDP per capita actually make a difference in education in different regions. The research in this paper will be very important for the reform of education policy.

Keywords: China; Higher education; Economic status; China's GDP; National College Entrance Examination (gaokao)

1. Introduction

With the founding of New China, education in China has continued to develop and progress over the decades. The Chinese government has introduced nine-year compulsory education to ensure that children have access to basic education. At the same time, China's higher education system has adopted the "Gaokao" test to allow more children to enter university and receive a quality education. China's unique education system, which is shaped by the development of hundreds of millions of students, significant regional disparities, and economic inequalities, have in some ways greatly influenced the way various social actors view the Gaokao as a mode of education. The written exams in the entrance exams also play an important role in this [1]. It can be argued that the emergence of universities has also allowed children from different provinces, different economic conditions, and different social statuses to access higher education on the same platform. However, the percentage of children from families of widely disparate economic status who enter university actually varies somewhat. Family income does not only affect the living conditions of parents, but also indirectly affects their children's access to higher education. This article focuses on the topic of the impact of economic status on higher education and discusses the actual situation in China. A literature review of different countries in comparison to China is conducted and an analysis and explanation of how economic status affects the situation is given. In order to further delineate the situation in China, two charts are used. One chart shows the differences in economic status between urban and rural areas in China, while the other chart shows the differences in economic status and GDP between cities. Both charts provide a step-by-step discussion of the impact of economic status on higher education in China. The paper concludes with a summary of the key facts and an explanation and analysis of the parts of the paper that were not fully summarised.

2. Literature review

People in a country have different incomes and different economic statuses. Students from low-income families may face reduced access to universities and, even when they do enter, may be discriminated against by their peers and staff.

The academic article discusses how low-economic-status students in Australia are less likely to enter university for higher education and have difficulty adjusting. Research indicates that the proportion of low economic status students in Australian higher education is only 15% [2]. However, the chances of the general population enrolling are 20 percent. This, in contrast, shows the unfairness of university enrolment for people of low economic status. The Australian Government believes that low-income students are underrepresented and that the proportion should be increased to around 20 percent. The Australian Government discusses the impact of differences in economic status primarily through a study of the first-year experiences of 2,422 students.

The socio-economic status of Australian tertiary students is currently measured using the Australian Bureau of Statistics Education and Occupation Index. The main cause of discrimination against low economic status students on campus is their different socio-cultural background from that of other students [3]. Students of lower socio-economic status may be more inclined to adapt to university life because their cultural capital does not correspond to the middle-class culture encountered in higher education. The Australian Government has therefore attempted to bridge this generational gap through institutional interventions and to make low SES students feel more engaged. Meanwhile, another article focuses on analyzing the unequal rights of disadvantaged students in Chinese higher education, especially those with lower socio-economic status, when they enter higher education [4].

The methodology of the study is to test the speculation by collecting data from the China College Student Survey (CCSS), a 2012 survey that uses a two-stage stratified sampling strategy to select participants. Data was collected using the College Student Dedication Survey as well as the College Graduate Labour Market [5]. The two articles I collected discussed and analyzed the data by looking at how difficult it is for students from different countries with low socioeconomic status to enter college. The massive expansion of higher education, as seen in the case of Chinese tertiary students, has also brought about the issue of class division within the education system. That is, the less privileged in society must pay more for less favorable educational resources and yet still only have access to lower-level schools. The two essays seek common ground, using different methods of measurement but coming to similar conclusions. This suggests that there is a less than equal right to class distribution of tertiary education in different countries. However, there are some shortcomings in this article for the study of Chinese college students. It only analyses college students rather than discussing them by region. For example, the difference between students in urban and rural areas of China and the subtle differences in GDP between students in the north and south [6]. The research gap of this article is that it focuses on the problems in China first, but it does not give a clear methodology to help solve the problems that arise from the differences in economic status.

3. Analysis of the current situation

According to China's economic situation in recent decades, China's GDP has been growing with the reform and opening up policy. Before the transition from a planned economy to a market economy in the late 1970s, China had been in poverty for centuries. However, the market transition in the last four to five decades has allowed the country to grow its GDP at an average annual rate of 9.8 per cent and international trade at an average annual rate of 16.6 per cent [7]. China has now grown into an upper-middle-income country and overtook Japan as the world's second largest economy in 2009. It has managed to play a stable role even during the East Asian economic crisis of the 1990s and the subsequent worldwide economic crisis [8]. As a developing country, China's economic development has also led to the development of various aspects such as agriculture and education.

Especially in education, with the gradual growth of GDP per capita, it gives more people the opportunity to have enough money to support the cost of higher education. GDP growth is further fuelled by the expansion of China's consumer market. Increased demand for a wide range of products and services from a growing middle class has fuelled domestic consumption. This shift from export-led to consumption-led growth adds a new dimension to China's economic landscape and creates

opportunities for domestic and foreign companies to enter this emerging market. In world trade, the structure of China's import and export commodities is constantly changing. From exports of clothing, light industry and fuel in the 1990s, there has been a gradual shift to automated data-processing equipment and more electronic products [9]. The rise of China's exports has generated competition from other Asian countries in third-party markets. It will intensify the competitive pressure on other Asian economies and slow down their export growth possibilities. It can be argued that China's economic growth in recent decades has not only led to an increase in GDP per capita, but also to an increase in exports.

The structure of higher education in China has been part of the Government's focus. This is because research conducted by universities usually transfers knowledge to university students about new technologies, products and services for economic growth through knowledge. For all industries it serves as a catalyst for research and development. In addition, universities are centres of collaboration between academia and industry and the direct synergy between higher education and the economic sector accelerates the growth of the country's GDP by fostering a culture of innovation and entrepreneurship. The relationship between poverty and educational attainment has always been evident. Children from lower economic-status families are less likely to graduate from high school and enter university than children from wealthier families [10]. Based on China's education policy reforms, higher education has been a "ticket" to higher income and status for economically disadvantaged families. And because higher education is a key part of the professional management of the government sector in China, access to higher education has obvious long-term implications for intergenerational mobility in an individual's social experience. It is clear from this that students of lower economic status continue to face unique challenges in accessing China's higher education system. With decades of educational reform in China, impressive progress and improvements have been made in education and economic development, though. However, in practice the barrier of differential economic status still prevents many students from low-income families from entering higher education. China's urban-rural divide exacerbates problems of acculturation, language barriers, and limited access to educational resources in the first place. And in time, when these students do make it to college. They also struggle to afford tuition, accommodation and other basic costs. Students will need to find additional work opportunities outside of school to help them cover the full cost of their education. This can affect the academic performance and overall well-being of low-income students. Students with low economic status do not have a sufficiently competitive background in terms of socio-cultural capital and competencies. They will enter higher education with a lack of background and will not be able to adapt to the environment.

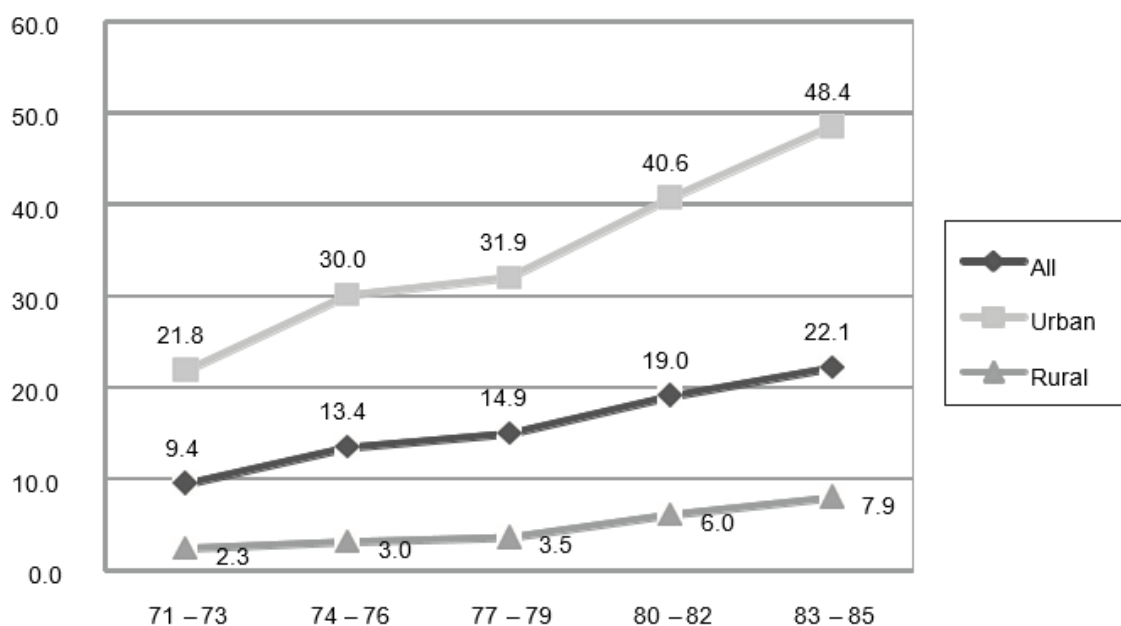


Fig 1. Percent of College (both types) Attendance by Birth Cohort and Hukou Origin.

According to existing survey and chart (figure1) mainly differentiates the proportion of urban and rural students. The difference in economic status between rural and urban areas is most obvious when comparing them in terms of GDP. The way to enter higher education in China is through the grades obtained from the college entrance exam to classify the universities that can be entered. As a result, rural students fall short of the education system prior to the college entrance exam because the percentage of them who have access to high school is generally lower than that of urban students, at around 30 per cent. At the same time, the high tuition fees due to income inequality also cause many rural high school students to abandon their education. The linear graph also shows that rural students' rural household registration also limits their opportunities to attend high school and college in urban areas. This has a negative impact on China's socio-economic stratification. Students of lower economic status are less likely to be admitted to college. They can't afford to give as much financial support as other families to create a strong background when applying to colleges because of family circumstances. At the same time, even if they do get into college, they may experience discrimination from different groups of people because of different cultural and economic status perceptions. They are excluded simply because of their economic status. Students with low economic status do not have a sufficiently competitive background in terms of socio-cultural capital and competencies. They will enter higher education with a lack of background and will not be able to adapt to the environment. Students of lower economic status are less likely to be admitted to college. They can't afford to give as much financial support as other families to create a strong background when applying to colleges because of family circumstances. At the same time, even if they do get into college, they may experience discrimination from different groups of people because of different cultural and economic status perceptions. They are excluded simply because of their economic status.

4. Conclusion

Overall, this article focuses on making an analysis of how the economic status of different regions in China affects students' access to higher education. In fact, different economic statuses are generally judged by GDP per capita. Moreover, children from low economic status families generally face an imbalance in educational resources, and the difference in social status also leads to different competitiveness when they enter university. Indeed, this paper provides a detailed analysis and graphical explanation of how children from low-income families have less access to education. However, the specific measures that China should take to ameliorate this problem need to be further explored. For example, how to increase the GDP per capita or how to make education more equally accessible to children of different economic status. This article only raises the issue, but more research and studies are needed on how to solve the problem. In the future, we should take more in-depth measures to address this issue.

References

- [1] Devlin, M. and O'Shea, H., 2012. Effective university teaching: Views of Australian university students from low socio-economic status backgrounds. *Teaching in Higher Education*, 17(4), pp.385-397.
- [2] Devlin, M., 2013. Bridging socio-cultural incongruity: Conceptualising the success of students from low socio-economic status backgrounds in Australian higher education. *Studies in Higher Education*, 38(6), pp.939-949.
- [3] Luo, Y., Guo, F. and Shi, J. (2018) 'Expansion and inequality of higher education in China: How likely would Chinese poor students get to Success? *Higher Education Research & Development*, 37(5), pp. 1015–1034. doi:10.1080/07294360.2018.1474856.
- [4] Huang, F., Jin, L. and Sun, X., 2009. Relationship between scale of higher education and economic growth in China. *Asian Social Science*, 5(11), pp.55-60.
- [5] Yeung, W.J.J., 2013. Higher education expansion and social stratification in China. *Chinese Sociological Review*, 45(4), pp.54-80.

- [6] Crosnoe, R., Mistry, R.S. and Elder, G.H. (2002) 'Economic disadvantage, family dynamics, and adolescent enrollment in higher education', *Journal of Marriage and Family*, 64(3), pp. 690–702. doi:10.1111/j.1741-3737.2002.00690.x.
- [7] Eichengreen, B., Rhee, Y. and Tong, H., 2007. China and the exports of other Asian countries. *Review of World Economics*, 143, pp.201-226.
- [8] João Pires, M.D. (2019) 'Gaokao: Far more than an exam', *Revista Diadorim*, 21(Esp), pp. 168–185. doi:10.35520/diadorim.2019.v21nespa27418.
- [9] Tate, K.A., Fouad, N.A., Marks, L.R., Young, G., Guzman, E. and Williams, E.G., 2015. Underrepresented first-generation, low-income college students' pursuit of a graduate education: Investigating the influence of self-efficacy, coping efficacy, and family influence. *Journal of Career Assessment*, 23(3), pp.427-441.
- [10] Mitchall, A.M. and Jaeger, A.J., 2018. Parental influences on low-income, first-generation students' motivation on the path to college. *The Journal of Higher Education*, 89(4), pp.582-609.