

The Reconstruction of Social Stratification in Post-Reform China A Study on the Formation and Impact of Social Solidification

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Abstract. Drawing on past research, this essay briefly outlines the trajectory of social stratification and its structure in post-reform China, which has long been a social issue of concern. This research discusses the structure and fabric of social stratification from historical and empirical perspectives by combining government documents and historical scholarly materials. Previous studies have proved the objective fact of social solidification. This paper further discusses the features and impacts of social solidification in conjunction with Bourdieu's capital and field theory and Pareto's elite theory. In the post-reform era, the economic capital-centered pluralistic criteria have replaced the old political one. Nihilism in solidified China's society can be divided into three types, escapism, hedonism, and cynicism. Social solidification and a series of social phenomena such as the second-generation phenomenon and inequality can be attributed to the relative lag and asymmetry in the interconversion of cultural and economic capital. The economic problem is a trigger that reveals social issues to some degree. This research formally analyses the relevance of social and subcultural phenomena to social stratification in post-reform China and further interprets the formation of solidification in post-reform China within different domains of capital.

Keywords: Social Stratification, Solidification, Post-Reform, Cultural Capital.

1. Introduction

Since the start of the Reform and Open-up Policy in 1978, the Chinese economy has been rapidly changing, and the total economic volume has already leaped to the second largest in the world. It has now tremendously shaped modern Chinese society and triggered the most radical social transformation after Mao's era comparable in historical importance to the Renaissance in early Europe or the Industrial Revolution. Studies of history and society in China can be generally categorized into three periods. Mao's era specifically refers to the time from the founding of the People's Republic of China on October, 1st, 1949 to the death of President Mao on September 9th, 1976, the post-1978 era, and the post-reform era. There are some controversies and arguments about the division of chronology of the post-1978 era and post-reform era in academia. Therefore, in clarification, the post-1978 era is three decades after the reform policy, from 1978 to 2008, and the post-reform era started in 2008.

Given the largest population in the world today, the social transition that took place in China has had an unprecedented breadth of scale and far-reaching consequences. In the social realm, the most prominent manifestation is a significant transformation in the structure and mechanism of social stratification in China, and social issues emerged one after another such as inequality, widening income gaps, the nihilism that is spread in mass culture and subculture spheres, nepotism, and corruption in the bureaucratic system. Furthermore, there are now some impediments to social mobility and intergenerational reproduction has replaced the normal circulation and flow of capital. The constraints of bottom upward mobility have become more and more accentuated, and the solidification of social classes has become a popular and academic concern.

This essay seeks to explain the trajectory and structure of social stratification in reforming China, comprehend its dominant factors and new criteria through historical views, and attempt to review the changes in China's stratification in order to grasp its trend and features in a macro sense. This essay is also in line with Bourdieu's perspective in analyzing elements of capital and Pareto's elite theory.

Besides, the last part of the essay would focus on the discussion of the impacts of the post-reform type of stratification which is now being frequently criticized, and the solidification in China's society.

2. Structure of Social Stratification in the Post-1978 Reform Era

2.1. Legacy of Mao's Era and Theoretical Breakthrough

After the Great Proletarian Cultural Revolution in China (1967-1977), society was utterly devastated, and cadres of the communist party were eager to rebuild its economy and social order to preserve the stability of the party and government ruling, because, in a highly centralized country like China, an economic problem is a sort of political problem [1]. In 1978, after the Third Plenary Session of the Eleventh Central Committee, the government subsequently established several areas for foreign investment, which provided the trigger for tremendous inflows of investment, primarily from companies in Hongkong and Taiwan [2]. In 1979 the forum of the principle for the party's theoretical work proposed to give the state-owned enterprise the necessary independence, however, it was not successfully implemented [3]. Until, the 14th Party Congress, it was formally proposed and implemented. "The goal of China's economic system reform is to establish a socialist market economy system". In the early 1990s, China's government began taking a series of major measures to promote reform in fiscal, financial, and foreign exchange management [4].

Hence, the social structure of "two classes and one stratum" in Mao's era was gradually broken, for China has opted for incremental reforms as opposed to the shock therapy that took place in the Soviet Union, and multiple stratification criteria centered on economics and wealth replaced a single political criterion. Economic capital was the major factor in judging one's social position in reforming China. Society has undergone a large-scale reshuffle, which caused China's transformation from a poor and undeveloped centrally-planned economy to a modern, open, and developed market-based economy. Therefore, the marketization of China has resulted in a drastic shift in the spatial and social vertical mobility of a large proportion of the population. As many studies of this era have discerned, social mobility was high and robust during the first three decades after reform, for everyone in this land used to be born equally poor, except a few cadres in the bureaucracy or military, and the position of its citizens had basically little difference [5].

The reform of ownership is the fundamental reconfiguration of social stratification, Workers needed to move from "the system inside", which means the state-owned and public sector economy, to "the system outside", which means the non-public sector economy such as individual, private and foreign-owned economy. Therefore, in the east coast area that first shared the bonus of reform, economic groups such as self-employment and private enterprises have emerged, creating social groups such as individual entrepreneurs and private business owners. Under historical observation, in the first or second decades of China's reform, stratification has not formed yet, or at least it was not a stable system but embodied a transitional character. Besides, there were no clear boundaries in various social groups, and stories like "from rags to riches" were posted in every newspaper. Mobility in society was more frequent than at any time in China, which reflected the unexpected speed of China's development. Until the late 1990s, with the deeper degree of marketization, more experience of the coastal special economic zone development, and a series of preferential policies that encouraged self-employed businesses and private enterprises, the social stratification of this period started to mature and showed its tendency to be structured and systematic. Meanwhile, the economic capital was the absolute determining factor in stratification, which means it was easier to see the distinction of income between one another, and the social problems such as the doubt whether China's society is still socialist, were on the agenda.

2.2. Stratification in Progress

Through legitimate work and investment, the accumulation of personal and family wealth has become a goal for most members of society and an important driver for people to improve their own and their family's social status as well. In general, there were numerous ways to earn funds in the

early stage of reform, for China's economic dynamism has long been restrained for decades. In the early reform, China accelerated its urbanization and industrialization in a short span of three decades. Some scholars in China assert that the ancient oriental country only used thirty years to finish what the western world has done in the last three hundred years [5]. The economic boom not only shaped society to various degrees but also exposed inadequacies in superstructure or upper-level design, such as universal and widespread corruption in the reform of state-owned property and industry monopoly. In light of Marx's historical materialism, the economic boom stimulated the contradiction between forces and production relations and exposed that the ownership of the means of production is still the essential contradiction of social stratification.

In summary, the most significant and striking characteristics of social stratification in the post-1978 reform era were instability and economic capital orientation, due to tremendous upward social vertical mobility in the economic boost. Massive opportunities for wealth-taking conceal and cover secondary features such as education and cultural capital, occupational structure, solidification, and inequality.

3. The New Features of Stratification in Post-Reform China

3.1. Solidification and Circulation of Elites

Social mobility is weakening and reducing, as it is an inevitable and necessary sacrifice for the economy. From the World Bank Data, the Gini Coefficient in China has grown as fast as its GDP, from 1978 at about 16% to 2010 at 43.7%, which indicates the growing inequality in China [6,7]. The GDP increased, from 1978 to only 149.54 billion US\$ to 2010 at 6.09 trillion US\$. Despite the inflation in these three decades, the achievements are still remarkable. However, inequality and solidification cannot be ignored in temporary success and prosperity.

The circulation of elites is a theory of sociology first described by Vilfredo Pareto. It is both theoretical work and a social phenomenon. The circulation of elites directly relates to social mobility, and it discerns an ideal model of social balance, but it is necessary and fundamental to keep the route of circulation flowing and open [8].

According to the object under examination, social mobility could be divided into horizontal mobility and vertical mobility. Thus, an organic society should have stratification with good resilience and mobility, which can not only promote a virtuous circle of social progress but also has a positive influence on the country's economy. In further argumentation, the essential core of mobility could be recognized as innate and acquired factors. The innate factors refer to family background and genetic heritage, while the acquired ones include personal ability, effort, luck, and vice versa. These two aspects could also discuss solidification as the binary opposite of mobility. Horizontal solidification indicates that it is difficult to rise one's social status and class through personal ability and effort. Vertical solidification is caused by increased heritability between generations. The upper classes of society could achieve intergenerational reproduction of power and status in various forms, thus creating a type of heredity. Given these circumstances, it is a transmutation in the circulation of elites, hence, the root cause of class solidification, which is essentially a blockage of social mobility, is the increase in the hereditary influences on class and the decline of the acquired influences.

3.2. Second-Generation Phenomenon and Nepotism

In post-reform China, the second-generation phenomenon is conspicuous and current, according to Intergenerational Inheritance of Current "X Second Generation" from the view of Social Mobility [9]. Successful political careers require a strong family background, as the "second-generation of the Red generation", which means communists' descendants, being the mainstay of political candidates. Successful businesses and enterprises also require a large amount of initial investment, thus being the "second-generation of the rich" or a part of the vested interests is the optimal solution. Under the second-generation phenomenon are the ancient traditional nepotism customs rooted in history, whose fundamental fabric is based on the monopoly and reproduction of interest groups. Marketization

facilitated optimal allocation and redistribution of means of production, however, the process of interest differentiation created and shaped the formation of individual interest groups, the solidification of interest groups through available resources and networks, and their replication and continuation in a family-like manner. In the early reform, the appearance of interest groups was understandable and inevitable. Nevertheless, under the influence of nepotism, which encourages the general atmosphere that promotes continued inherent inequality, the growth of interest groups was out of control in the subsequent development.

In Bourdieu's field theory, individuals construct social fields and stay in their fields which required stable rules to be stabilized to make sure that the change and conflict would take non-destructive forms. Therefore, nepotism constructs the basic social order around blood lineage to stabilize interest groups' social fields and enhance social security for their social status. From a historical perspective, it is not difficult to comprehend nepotism in China's tradition. Nepotism in China has always been rationalized to a certain extent. Hence, it does not disappear but gets promoted [10].

In dialectical thinking, a reasonable range of nepotism could be a sort of family values and organic solidarity in social stratification and state apparatus, as it helps a nascent regime maintain stability and sustainability after chaos. On the other hand, excessive and irrational nepotism can impede normal social mobility and elite circulation, becoming a tool for self-preservation by interest groups and a culprit of social solidification.

3.3. Cultural Capital as a New Criterion

As mentioned above, in the post-1978 reform era, multiple stratification criteria centered on economics and wealth replaced a single political criterion. Economic capital is the dominant part in judging one's social status, despite consideration of occupation or cultural capital such as education and political identity. Nevertheless, in the post-reform era, after three decades of the Reform and Open-up Policy since 1978, cultural capital has become the second dominant factor and has gradually overtaken the position of economic capital. In general speaking, people are more or less labeled and stratified by the cultural elements, because based on empirical experience and common sense, cultural capital can be transformed into a sort of threshold that could filter and select entrants. Besides gender discrimination, the most serious discrimination in the employment of fresh graduates is academic qualifications [11]. Under the impact of enrollment in higher education since 1999, massification and popularization of education inevitably have resulted in the presence of diminishing marginal returns within the cultural capital, which means it has further created a psychological distance and gap between material inputs and desired outputs [12].

In Bourdieu's definition and explanation of cultural capital, cultural capital is defined in terms of manners, taste, language, knowledge, and skills. Bourdieu further argued that "capital is only capital when it can be used in a given field, and those who are in possession of the right sort and the right amount of capital will be able to dominate a field" [13]. For instance, people who possess cultural capital can use these resources to obtain more economic capital, and vice versa, those who are rich and superior are likely to have more cultural capital or at least let the later generation have so. During the process of interconversion and reproduction of these two, economical capital is more transformable into cultural capital. As Bourdieu has mentioned, "In the battlefield over cultural and economic matters, members of the lower class are bound to lose, entering an unfair game in which they are often forced to deny their own habitus" [13]. Therefore, as a matter of fact, in post-reform China, cultural capital is only a facade that conceals inequality and class contradiction in economic capital due to the private ownership of the means of production.

4. Impacts of Solidification in Post-Reform China

4.1. The Spread of Nihilism

Under the solidification, universal nihilism in society is a subsequent product, for nihilism denies the value of present life and even the future and past. Nihilism in the article is not a kind of political

and philosophical thinking but in the cultural field of folk beliefs and social mentality. Nihilism is a philosophical proposition about existentialism. Among the new generation in post-reform China, it is obvious to observe nihilism in subcultures of various cultural spheres, such as *Tangping* (lying flat) and *Foxi* (Buddhism), which reflects the increasing anxiety of solidification, especially for those who die to look for wealth, promotion, and development but end up in extremely frustrating reality. Meanwhile, the accelerating development of internet media also creates a virtual world “metaverse” for people to indulge in. Furthermore, modern cultural industries and entertainment offer a new outlet for mass psychological cathartic gratification. Some national studies have used involution to explain the existentialism crisis and nihilism of contemporary China [14]. As a matter of fact, it exposed the hypocrisy of scholars and experts in China, for they rather made up a word than admitted class contradiction and increasing inequality. It seems like the Party’s allegiance to Marxism, albeit spurious, prevents it from openly renouncing Marx’s class concept and class theory [15].

The study points out the hot words that are wildly spread in subcultural cyberspace [14]. For instance, *Tangping* (lying flat), which appeared in China in April 2021, is a rejection of social pressure and overwork and is a negative reaction when people face dilemmas. This phenomenon is a resistance movement, via a low-desire, and more indifferent attitude toward life to refuse being exploited by capitalists and even a kind of Hippie-counter culture with China’s characteristics. *Tangping* (lying flat) is regarded as a response to the low social mobility of a class-consolidated society, which is characterized by a shrinking middle class, working poverty, harsh treatment of society, disharmonious labor relations, and an irrational socio-economic structure.

In general, nihilism can be divided into three forms, which are escapism, hedonism, and cynicism. From the escapism aspect, nihilism works as the function of religion, for it uses a kind of absence to express the presence. In other words, it is a fictional world that is constructed in the simulacra of the real world. In Marshall McLuhan’s implosion, the world becomes simulated as the real and the original is replaced by the massively typified anthropomorphic, which is the perfect world for the escapist to live in when they no longer have the courage to confront a dismal life [16]. Hedonism is another important manifestation of nihilism when life is meaningless and valueless, for nihilism is the epistemology about the nature of the world, and dialectically hedonism is the methodology, therefore hedonism advocates being present at the moment and focusing on material enjoyment. At last, cynicism is the decadent revolt of society and advocates the rejection of secularism and moral standards in pursuit of the values that they want, a more causal, inert, and easy-going state of life. In short conclusion, cynicism in China is an abandonment of traditional values and indulgence of self. This rebellion and anxiety can be noticed in the subculture area, in music, literature, and art. History keeps repeating itself. The phenomenon of the beat generation once appeared in America and now is reproducing in post-reform China.

4.2. Entertainment and Distractive Function

Frankfurt School’s theory about the culture industry, covering film, TV, popular music, radio, newspapers, and magazines claims that in mass societies, the production of culture had become just as standardized as in any other industry and was dominated by the desire for profit [17]. Standardization and maximum profit-orientation create the non-intellectual entertainment industry, and in the Frankfurt School explanation, modern entertainment is a distraction rather than an authentic engagement, for it is constantly injecting useless information that distracts people and makes them superficial to some extent. Consumer culture, popular culture, and media culture themselves, in which the mass media are involved, contain certain conceptions and ideologies. For one aspect, mass media and entertainment penetrate people’s daily lives without the slightest resistance through compulsory advertisement and unconsciously make them more uniform and weaken their own individual ability of judging, which deprives their critical spirit and the sense of negation. It is the so-called one-dimensional person who loses his faculty of reasoned criticism of social reality and is the final stage of escapism when one’s time is fully occupied by meaningless entertainment, for he rather lives in virtual fantasy than reality.

The entertainment and culture industry can be interpreted in another way since it is rebellious and deviant as an impact on traditional values and a new unstable form of emotional outlets. The nihilists that empty to the bone care nothing else other than sports, soap operas, celebrities, idols, and vulgar pornography. Especially the new generation in the hormonal lure is particularly like to experience a variety of extreme lifestyles such as indulgence in sex and abuse of addictive substances. Hedonism, as mentioned above, is the typical product of modern entertainment.

In summary, the relationship between entertainment and its distractive function is close and subtle. Based on the interpretation of the state apparatus, entertainment eases the tension between different classes and is a painkiller for the high speed of development and high-pressure society, for the state apparatus will never charge free. It does have some positive effects on society when class contradictions are irreconcilable. Furthermore, it does not advocate a negative and decadent lifestyle, for it is only historical empathy.

4.3. Education and Cultural Capital

Education is the process of cultural capital accumulation, which provides a specific and substantial form and carrier for cultural capital. During reproduction, economic capital is transferred into cultural capital, and then social capital would be the temporary intermediate transition between the economic capital and the cultural one. Without a doubt, the circulation of elites is another interpretation of social reproduction, therefore, it is not surprising to find that the intersection of these two is quite similar. Aforesaid, in post-reform China, the circulation is clogged and lagged to some extent, and the interconversion of economic capital and cultural capital can also be discussed from two perspectives.

The first is the inter-generational transfer of economic capital into cultural capital through various channels. Inequality in the economic field due to inertia is inherited in the cultural field, and the accumulation of cultural capital is concealed and invisible, and it creates a subtle and inconspicuous space for alleviating class conflicts and social inequality, especially for such socialist propaganda. Social stratification means that the rich and upper classes can let their posterity have a better education and upbringing, but that is not the elementary reason for solidification. If the society were absolutely rational and fair, just like Webber's ideal bureaucracy, through justified examination and promotion, an ideal utopia society could be stable and efficient. However, the society in which people lived is not perfect and idealized, such as nepotism and crony capitalism. Therefore, a certain degree of inequality is inevitable, and scholars and critics do not need to be so hypocritical to accuse and impugn it, for they are somehow the vested interests of education and cultural capital.

Where the real problems occur is in the latter part of the interconversion, about the transfer of cultural capital into economic capital. Recent research demonstrated that China's middle class is more willing to pay more for their children's education [18]. In the circulation of all kinds of capital reproduction, there is no specific evidence that the trajectory of capital from the economic field into the cultural field is being blocked. In other words, if someone is rich enough and he would have numerous ways to improve his children's education background, including both legal and illegal ways. Hitherto, after enormous injection from economic capital, the cultural field has unavoidably undergone predictable inflation and devaluation, which means the marginal effects have been severely decaying in different generations.

It indicates that the investment in education and the cultural field is extremely disproportionate and asymmetric to the return. The economic downturn after reform and the recent Covid epidemic is really adding insult to injury, for they generate sharp and divergent rates of economic development. The new and burgeoning group in the early reform period, the so-called nouveau riche, constantly inject economic capital into the cultural field, while the downward pressure on the economy in the second half of China's reform prevent cultural capital from being transformed into economic power through social capital promptly, which eventually leads to extremely serious inflation in the cultural field and some social phenomena such as college students' wages being lower than those of cheap factory laborers or delivery persons [19]. Besides, the 1999 enrollment expansion policy in education

aggravates the inflation of culture, for it makes the accumulation of cultural capital much easier than earning funds or building social connections, which is directly responsible for solidification in post-reform China. The expansion has led to its rapid devaluation and increased discrimination at the social level and also means that compared to the beginning of the Reform and Open-up policy, specific cultural capital such as diplomas and certificates will become a harsh threshold to cross.

Finally, it is still the economic factor that causes the dilemma in the cultural field, and economic capital is always the most essential and fundamental part of society. However, it does not mean cultural capital and social capital are some sort of belongings to the economic ones, meanwhile, they are not independent entities yet.

5. Conclusion

Overall, since the 1978 reform, China's social stratification structure has experienced substantial transformation and the old orders of Mao's era were gradually disintegrating. Progressively, in post-reform China, economic capital-centered pluralistic criteria have replaced the political one. The rapid economic changes brought by the reform made China's society like a glass of muddy water after being shaken, with social components lacking boundaries, distribution lacking regularity, and opportunities within reach. Thirty years later, after having borne the soft landing of overexpanded development, the downward pressure of the economy naturally appeared, therefore, various components of society, under the action of time, were stratified. However, stratification is too stable and entrenched to have a healthy circulation of the economy and cultural capital. The second-generation phenomenon is prevalent both in China's history and in contemporary times. It is a national cultural tradition and ought to be viewed more objectively as a cultural attribute of the region. At least nepotism as social solidarity has protected China from overexpansion to various degrees.

In the subsequent development of the post-reform era, cultural capital, as a reproduction tool that is capable of masking and concealing its role, replaces economic capital as a criterion of evaluation. At the same time, to some certain degree, this advanced form of reproduction in post-reform China has driven the appearance of social solidification, which is due to the antagonistic and asymmetrical interconversion of economic and cultural capital. In post-reform China, the asymmetry of capital self-replication allows it not only to exploit labor as it used to but also to enhance its real value in the devaluation of cultural capital, which is a form of cultural exploitation and alienation. Investment in cultural capital is compulsory for a series of reasons, either as a traditional cultural habitus in China or as symbolic violence in reproduction from the dominant classes.

Regarding the impact of social solidification, there used to be debates and controversies about whether China's society is solidified, but today, in post-reform China the problem of solidification has become an accepted social reality. As a result of solidification, nihilism in China is disseminated broadly and absorbs elements from the hippie movement and existentialist crisis, hence the content of nihilism is diverse. As for entertainment and its distractive function, it not only promotes consumption but also occupies and wastes a considerable amount of time, thus reducing authentic social participation and engagement. Moreover, propaganda, which has a similar distractive function to modern entertainment, is out of the discussion in this essay, but it is more or less part of mainstream media and mass culture in socialist China. Throughout the formation of social stratification in China, it is still the macroeconomic environment that has had the test influence. The solidification currently occurring in the cultural field is still essentially a manifestation of economic stagnation or inflation. It is hoped that after recovering from the Covid epidemic, China's people and its government are capable to revive and facilitate social mobility to ease the solidification.

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