Gender Equality in China’s Economic Transformation

In July of 2012, the UN System in China convened a seminar on “Rethinking the Equity-Efficiency Relationship: Challenges Ahead”. That seminar focused on urgent and emerging challenges of growing disparities and inequalities in contemporary China. While China has rapidly transformed into a vibrant and dynamic middle income country, major gaps exist between urban and rural areas, between men and women, and between the wealthier East Coast and the poorer Western and Central regions. Then, in December 2013, the UN System in China launched an “Equity in China” paper as the first of a series of UN publications designed to explore concepts of equity in contemporary China and policies towards closing the gaps.

This paper, “Gender Equality in China’s Economic Transition” with its focus on women and employment during the market transition, is one of the series of thematic papers addressing equity issues in China. Chinese women’s labor force participation rate has declined since the market-oriented economic reform. It has dropped by a large margin, especially after the privatization of state-owned enterprises in the 1990s. Written by experts Liu Bohong, Li Ling and Yang Chunyu, this paper analyzes the status and implications of gender inequality during China’s economic transformation through a careful examination of three areas: employment opportunities, income and unpaid labor. From a gender perspective, it makes valuable policy recommendations to promote gender equality for China’s future economic and social development.

Women’s rights are human rights. The protection of women’s rights are an obligation and responsibility of the government. Gender equality and the empowerment of women is a goal deeply embedded in the UN System. We believe establishing gender equality in Chinese society is not only vital for China’s harmonious and stable development, but also for China’s commitment to the international community, for its rise on the global stage, and its growing global leadership.

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Executive Summary

1. Objectives and Method

Every country pursues economic growth and development. Since the end of the last century, the concept of development transformed from a pure pursuit of GDP to sustainable development aimed at improving people’s overall well-being. Yet, after decades of economic development, inequality once again has caught the public’s attention both in developed countries and developing countries. Although the overall proportion of the population in poverty has declined, the gap between the rich and the poor has become wider in both the North and the South. Emerging social conflict, driven by inequality, limits economic growth and social prosperity, and hinders the realization of the ultimate goal of development—the improvement of people’s well-being. As a result, the pursuit of social justice and the elimination of inequality have become the common understanding in the global community when evaluating the implementation of UN’s “Millennium Development Goals” (hereafter referred to as MDG) and discussing the “Post-2015 Development Agenda.”

The Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) adopted by the UN in 1979, the Beijing Declaration and Platform for Action adopted at UN’s fourth World Conference on Women in 1995 and the MDG set by the UN in 2000 have greatly promoted women’s rights and their status for more than three decades. Significant global progress around gender equality has been made in areas such as education, reproductive rates, average life expectancy, labor force participation rates, enlargement of legal rights and so on. Yet, in other areas progress comes at a much slower pace, such as disproportionate mortality of women/girls, gender polarization of economic activities, income gaps, division of household labor and family care, property rights, women’s voices and initiatives in both public and private sectors (World Bank, 2012). Global economic growth and women’s increased access to education and economic opportunities have not led to proportionately equivalent development outcomes for women. Gender inequality is exacerbated by the intersectionality with other axes including poverty, class, stratum, race, ethnicity, religious belief, physical disability, marriage status, age, sexual orientation, social identity and so on. Women with multiple disadvantages are even more marginalized in the development process. Therefore, this research focuses on gender equality and development when discussing the “Post-2015 Development Agenda.”

Since undertaking market-oriented economic reform, China experienced the transformation from a planned economy to a market economy, from an agricultural society to an industrial society. China’s economic reform process led to rapid and continuous economic growth. Personal income and living standards were raised, bringing women unprecedented development opportunities. However, at the same time that a market economy has brought reform and economic growth, it also exacerbated social polarization and the gap between rich and poor. Women are placed in a disadvantaged position in the market economy because of traditional social division of labor and their dual burden of work and family.
This paper mainly covers gender issues in the labor market. We describe and analyze the status of gender inequality during China’s economic transformation and the causes of gender disparity and inequality, by focusing on three selected areas: employment opportunities, income and unpaid labor. We explore the possible implications of gender inequality in China on economic and social development, and make policy recommendations to China’s future economic and social development from a gender perspective.

This article analyzes and discusses existing research literature and data from a gender perspective.

2. Main Findings

(1) Significant Gender Disparities in Employment Opportunities

Since the founding of the People’s Republic of China, the Chinese government regarded the increase of women’s labor force participation as an important measure of gender equality and the improvement of women’s status. As a result, the Chinese women’s labor force participation rate was higher than that of most other countries at the time (United Nations, 2000). Yet, since the market-oriented economic reform, Chinese women’s labor force participation rate has declined. Especially after the privatization of state-owned enterprises in the 1990s, the women’s labor force participation rate dropped by a large margin, and the labor force participation rate of mothers with pre-school age children dropped even further (Li, et al., 1999; Yao and Tan, 2005). Data from the fifth and sixth National Population Census show that although the labor force participation rates of both men and women are declining, women’s labor force participation rate is declining with a faster pace. Women have far fewer job opportunities than men in the labor market.

Many factors contribute to the decline of the female labor force participation rate in China. First, it is influenced by state policies and social environment. Second, it is influenced by the income gap between husband and wife. Third, housework and family care also contribute to decline of women’s labor force participation. Fourth, the women’s labor force participation rate is largely influenced by women’s educational attainment.

(2) Expanding Gender Disparities in Income

Income is an important measure of outcome equality, for both the outcome of education and employment. It is an embodiment of labor value and social justice. In the era of planned economy, the work allocation of all workers was decided via the national plan. Men and women enjoyed relatively equal employment opportunities. The gender gap in payment was small. The economic reform which began in 1978 gave increasing autonomy in management to companies and other employers, who had the right to decide the type of work and wage payment of their employees. Since then, the wage disparities between men and women began to emerge.

According to data from three national surveys of women’s social status in China, the gender disparity in income in the labor market has been expanding from 1990 to 2010. The average income of urban women
as a percentage of that of men dropped from 77.5 percent in 1990 to 67.3 percent in 2010, which was a drop of roughly 10 percentage points. The increase in income disparity in rural areas has been even greater than that in urban areas. The average income of rural working women was 79 percent of that of men in 1990. This number plummeted to 56 percent in 2010, which meant that the average income of rural women was only a bit more than half of the income of rural men.

A gender gap in wage payment may result from either competence differences or discrimination. One important indicator of competency is educational attainment. The gender gap in educational attainment has been gradually narrowed since the market-oriented economic reform. Thirty years from 1980 to 2010, the share of female college students has risen from 23.4 percent to 50.8 percent (An, 2011). The proportion of female college students has surpassed that of male college students. Apart from the low enrollment rate of rural women, Chinese urban women have generally gained equal access to education at all levels. However, the narrowed gender gap in educational opportunity has not decreased the gender gap in income. One study found that discrimination within occupations contributed as much as 68 percent of the gender gap in wage payment (Li and Ma, 2006). An increase in educational attainment has led to growth in men’s and women’s income in China, but it has not resulted in a narrower income gap between men and women.

(3) Unrecognized Value of Women’s Unpaid Care Work
After the founding of the PRC, families in China have evolved from the kinship tie centered, a patriarchal and male dominated pattern in an agriculture society, to the modern nuclear family pattern where the husband and the wife share equal rights inside the family (Ding, 2001). Gender equality advocated by the government has promoted equal participation of urban women in social production and activities, to a large extent. Although traditional gender stereotypes still applied, the social welfare policies and public services provided by the government through the work units largely offset the dual burden of work and family borne by Chinese urban women (Liu et al., 2008). After the market-oriented economic reform, these public services were taken over by the market and families. When the public services provided by the market can no longer meet the needs of families and when families can no longer afford family care services, the responsibilities of family care fall back on women’s shoulders.

Data from the National Bureau of Statistics time-use survey shows that women spend almost three times as much time as men on unpaid work every week. This phenomenon is more prominent in rural areas. Women—especially rural women—perform most of the unpaid work. Women are burdened both with unpaid work and paid work, which means they have much longer working hours and much less spare time each day than men (Dong and An, 2012).

In reality, unpaid care work has great economic value. According to Dong and An’s (2012) analysis of the time-use survey data in China in 2008, the value created by unpaid care work was equal to 25 percent to 32 percent of China’s GDP, 52 percent to 66 percent of China’s consumption, and 63 percent
to 80 percent of China’s gross output value. However, the value of women’s unpaid housework and their contribution to the family and to the society is not recognized in the market economy. Instead, it hinders women from entering the labor market. Changes in economic and public policies in the past three decades of market-oriented reform has accelerated the marginalization of women in the labor market and exacerbated gender inequality.

3. Discussion and Policy Recommendation

Drastic social transformation in China has far-reaching consequences for gender disparity and social inequality. First, these changes affect economic development. Gender inequality has a negative effect on labor force participation and human resource utilization. It hurts the labor force participation rate and economic benefits. Second, social development is affected. Gender inequality causes a loss to human development. The loss of human development caused by gender inequality in China is as high as 40 percent (UNDP, 2010). Third, families are affected. Gender disparity in the labor market and the underestimation of unpaid care work worsen gender inequality within families. Women’s role inside the family is strengthened and accompanied with their deteriorating family status and increasing dependency on men. Fourth, education of children and future generations are affected. Gender inequality would influence the views and capacities of the next generation thus dampening human capital in the society in the long run. The reproduction of the culture of gender inequality is harmful and contrary to the socialist core values promoted by the Chinese Communist Party.

Thus, this study proposes the following recommendations. First, equality and justice shall be considered an important goal of the global agenda, as well as China’s economic and social development. Second, gender equality shall be mainstreamed into China’s macroeconomic and social development policymaking. Third, interventions in the labor market shall be enhanced to eliminate gender discrimination in employment and occupation. Fourth, the principle of equal pay for work of equal value shall be insisted and the reform of China’s income distribution system shall be accelerated. Fifth, the value of unpaid work shall be recognized and family care services shall be integrated into the public service system. Sixth, the reform of the political system shall be strengthened to promote women’s participation in administration and policymaking. And finally, gender equality and human rights education shall be included in China’s cultural development.
I. Introduction

Economic growth and development are common goals for all countries. At the end of the 20th century, the concept of development transformed from a pure pursuit of GDP to sustainable development aimed at improving people’s overall well-being. Development is no longer only about earning higher income. It also includes “better education, better health and nutritional standards, less poverty, cleaner environment, more equal opportunities, more individual freedom, richer cultural life, etc.” (World Bank, 1991). The means of development is GDP growth, but the goal of development is to offer people more options so that all people—both men and women—have equal opportunities to benefit from progress (UNDP, 1995). Yet, after decades of economic development, inequality once again has caught the public’s attention both in developed and developing countries. Although the overall proportion of the population in poverty has declined, the gap between the rich and the poor has become wider in both the North and the South. Emerging social conflicts, driven by inequality, limits economic growth and social prosperity, and hinders the realization of the ultimate goal of development—the improvement of people’s well-being. As a result, the pursuit of social justice and the elimination of inequality have become the common understanding in the global community when evaluating the implementation of UN’s “Millennium Development Goals” (hereafter referred to as MDG) and discussing the “Post-2015 Development Agenda.”

Gender equality represents not only a central development goal, but policies supporting gender equality also serve as a key development tool. According to Nobel Prize winner Amartya Sen, “development” can be conceptualized as a process during which every member of the society equally expand a set of linked freedoms such as political freedom, freedom of opportunities, and economic protection (Sen, 1999). Positioning gender equality under the broader objective of “development” is consistent with the core development goals delineated in the 2010 Millennium Development Goals (MDG) Summit.

As a key development tool, gender equality is a prerequisite for inclusive and sustainable development. First, structural barriers to women’s education and economic opportunities slow national productivity and create higher economic costs (World Bank, 2012). Research in Latin America and the Caribbean found that a 6 percent increase in gross domestic product could be achieved by eliminating gender-based payment inequality and occupational segregation (Tzannatos, 1999). Other scholars, using model estimation, demonstrated that gender inequality in labor force participation lead to higher fertility rates which further slowdown the economic growth rate. For certain Asian developing countries, promoting gender equality could stimulate their domestic demands and balance their economic growth. Limited opportunities for women to participate in the labor market led to an economic loss as high as 42 to 47 billion dollars per year in the Asian-Pacific region; gender inequality in education led to a 16 to 30 billion dollar loss per year in the same region (United Nation, 2007); the increase rate of per capita income in the region decreased by 0.1 to 0.3 percent due to failure to accomplish Goal No.3 of the MDG (UNDESA, 2011). Second, efforts to enhance women’s absolute and relative statuses contribute to other important areas of development, including a better future for their offspring (World Bank, 2012). Higher rates of employment and higher income have been shown to strengthen women’s bargaining power within the family (Thomas, 1997; King and Mason, 2001). Research has demonstrated that one outcome of women’s greater bargaining power was a concomitant increase in household savings (Seguino and Floro, 2003), which can be...
applied to children's health and education. Greater family investment in children, buttressed by women's greater economic power, leads to gains in human capital and economic growth, including through future generations (Thomas, 1997; King and Mason, 2001). Using China as an example, Qian (2008) found that every 10 percent increase in an adult woman's income leads to a 1 percent increase in the survival rate of girls in her family, as well as an increase of schooling time for male and female children. By contrast, when the man's income increased by 10 percent, daughters' survival rate and schooling time both decreased, while sons' schooling time and mortality were unaffected. Finally, structural gains by women can empower women to push for more favorable policies, which also lead to better development outcomes (World Bank, 2012). For example, after securing the right to vote, women in the United States leveraged their new electoral power to politicize issues like child and maternal healthcare, leading to an 8 to 15 percent decline in the infant mortality rate (Miller, 2008). Further, policies promoting women's political participation lead to increased investment in infrastructures that benefit women, such as those that improve human capital and save time, which also contributes to economic growth (Chattopadhyay and Duflo, 2003; King and Mason, 2001). Taken together, these findings demonstrate that the elimination of gender discrimination, and the promotion of gender equality can empower women, promote economic development, and continue social progress.

The Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) adopted by the UN in 1979, the Beijing Declaration and Platform for Action adopted at the UN's fourth World Conference on Women in 1995 and the MDG set by the UN in 2000 have greatly promoted women's rights and their status for more than three decades. Significant global progress around gender equality has been made in areas such as education, reproductive rates, average life expectancy, labor force participation rates, enlargement of legal rights, and so on. Yet, in other areas progress comes at a much slower pace, such as disproportionate mortality of women and girls, gender polarization of economic activities, income gaps, gendered division of household labor and family care, unequal access to property rights, and lack of women's voices and initiatives in both public and private sectors (World Bank, 2012). Global economic growth and women's increased access to education and economic opportunities have not led to proportionately equivalent development outcomes for women. Gender inequality is exacerbated by the intersectionality with other axes including poverty, class, stratum, race, ethnicity, religious belief, physical disability, marriage status, age, sexual orientation, social identity and so on. Women with multiple disadvantages are even more marginalized in the development process. Therefore, this research focuses on gender equality and development when discussing “Post-2015 Development Agenda.”

“Gender” hereafter referred in this paper is defined as women's and men's social, behavioral and cultural characteristics, expectations and norms. “Gender equality” in this paper is defined as a situation when all persons, regardless their gender, shall be able to develop their capabilities and make their choices free from any stereotype, gender perceptions, or gender discrimination. Gender equality does not necessarily mean that women have to become exactly the same as men. Rather, it means a person's rights, responsibilities and opportunities shall not be determined by whether he or she was born male or female. What we will focus on here is “substantive equality” or equality of outcomes. Substantive equality encompasses not only equal opportunities, equal processes, equal rules and equal laws, but also equal outcomes or equal reality. From a gender perspective, this article not only focuses on the progress women have obtained through development, but
also pays special attention to progress women have gained relative to men, as well as the remaining challenges they are facing during development. Over 30 years of development in China and the world has proven that equal opportunities and equal outcomes have distinctively different implications on development, especially on social justice, and that equal opportunities do not necessarily lead to equal outcomes. Only by realizing equal outcomes can we correct influences from the unjust factors during the development process.¹

The socialist revolution and development in China led to the emancipation of Chinese women. After the founding of the People’s Republic of China, gender equality became China’s mainstream ideology and legal principle. Chinese women decisively broke away from feudalist shackles, walked out of their homes and made significant contributions to China’s social and economic development. Chinese women have seen their status undergo unprecedented changes as women became the owners of this socialist country. In the era of planned economy, China applied a dual urban-rural system. Under such a system, in the cities², almost all the employed workers, both men and women, had equal access to lifetime employment insurance, child care, education, healthcare and housing subsidies, as well as the pension scheme offered by the nation through their work units (danwei). Work units also provided childcare services to their employees, which greatly reduced the opportunity cost of women participating in labor, the negative pressure from the society, and the cost of early-stage education and care for children. Through these mechanisms and policies, China, a low-income country, made remarkable achievements in gender equality, primary education coverage, public health, and labor force participation (Li and Li, 2010). “Women can hold up half of the sky” became a catchphrase showcasing Chinese women’s liberation and improvement in their social status, which has been commended around the world. But it is worth pointing out

¹Gender equity is a concept well-received internationally. Justice is usually defined from the fairness perspective, where people are expected to be treated equal under the same circumstances. In the gender theory framework, feminists point out that, treating people in disadvantaged gender positions the same as those in advantaged gender positions usually intensify the marginalization of the disadvantaged population. If such equal treatment leads to substantive different impacts, without sufficient evidence proving its necessity, then it is recognized as indirect discrimination. The general recommendation No. 28 of the Convention of the Elimination of All Forms of Discrimination against Women (CEDAW) mentions both direct discrimination and indirect discrimination. It suggests that treating the same people differently and treating different people the same would lead to injustice or discrimination. CEDAW recommends to use the equal access to human rights as the foundation of justice. Based on this definition, ILO defines gender equity, that is: fairness of treatment for women and men, according to their respective needs. This may include equal treatment or treatment that is different but considered equivalent in terms of rights, benefits, obligations and opportunities. Gender equity serves as a tool to achieve gender equality.

In the discussion of this paper, justice should be understood as different ways of measuring development as mentioned in MDG and values attached to such measurements. The discussants recognized the economic growth and decrease of population in poverty with the implementation of the MDG, but also pointed out the expansion of wealth gap and social injustice in development accompanied with the progress. As an example, China not only has a leading role in economic growth, but also owns one of largest wealth gaps in the world. For decades, the relationship between efficiency and fairness has been a hot topic in the discussion of goals and values of social development. There has been a positive change from the “efficiency first and fairness in consideration” view to the “fairness and justice is the starting point and ultimate goal of reform and development” view. However, the male breadwinner model is still considered a fair and reasonable social division of labor and the foundation of policymaking when people design top and institutional level social policies. Using a gender perspective, this paper try to analyze how such a model lead to the expansion of gender inequality in Chinese economy, and how it brings inequality, unjust and unfairness to the society.

²In rural areas, especially during the period of the Great Leap Forward, the People’s commune helped workers by providing socialized services, such as building canteens, nurseries, kindergartens, nursing homes, etc. But the Great Chinese Famine ensued, and changed the status of the socialization of housework. As a result, only some nurseries and nursing homes were kept, and childrearing, old-age provision and daily chores went back to the hand of every household.
that “formal equality” with the criteria based on men’s work values is different from the “substantive equality” that people promote nowadays.

Since undertaking market-oriented economic reform, China experienced the transformation from a planned economy to a market economy, from an agricultural society to an industrial society. China’s economic reform process led to rapid and continuous economic growth. Personal income and living standards were raised, bringing women unprecedented development opportunities. Gender equality became one of the basic state policies for social development, and was included into the Report to the Eighteenth National Congress of the Communist Party of China (2012) and the Law of the People’s Republic of China on the Protection of Rights and Interests of Women (2005). The government incorporated the development of women and girls into the “Five Year Plan for Economic and Social Development”, and through promulgating and implementing The Program for the Development of Women in China, National Human Rights Action Plan of China and other regulations, the government honored its commitment to the international community to lift women’s status in political, economic, social, and cultural areas, as well as in citizenship, marriages and households. However, a market economy is a double-edged sword. At the same time that a market economy brought reform and economic growth, it also exacerbated social polarization and the gap between the rich and the poor. Women are placed in a disadvantaged position in the market economy because of traditional social division of labor and their dual burden of work and family responsibilities. Despite increased opportunities for women’s economic advancement, the development gap between men and women still widened. According to the UN’s Human Development Report, from 1992 to 2009, the Human Development Indicator (HDI) in China increased significantly; however, the Gender Development Indicator (GDI) in China did not increase in the same magnitude with China’s economic and social development; the Gender Empowerment Measure (GEM) in China dropped considerably instead of increasing, shown in Table 1 (Liu et al., 2010). This suggests that the market does not allocate resources equally and justly, as might be assumed and that economic growth does not guarantee equal and just outcomes. Instead, the development of a market economy may come at the expense of social equality and justice. It is incumbent upon us to find a development path that can realize gender equality and social justice in a market economy.

Formal equality indicates achieving gender equality by setting the equality standard based on male’s characters and male’s behaviors. Such kind of equality only recognizes the value of social development while neglects the family values and responsibilities, and fails to challenge the traditional gender roles. Women are hurt or under pressure when working under the male character based standards.

Substantive equality (equality of outcome) refers to outcome equality or factual equality. It recognizes the biological, social and cultural differences between men and women, and emphasizes the achievement of gender equality through actively providing women with favorable circumstances and supportive environments. It requires equal opportunities, procedures and outcomes in all forms of laws, policies, programs and other action plans.

China’s economic reform refers to China’s transition from a planned to a market-oriented economy since 1978. China has changed from an agricultural, rural and traditional society to an industrial, urbanized, and open modern society. This transition has accelerated China’s economic growth, while at the same time intensified China’s social segregation, including the urban rural divide, widening wealth gap, increasing gender inequality, and occupational segregation.

HDI is an indicator of UN for social progress. It includes three aspects: life expectancy, educational attainment and GDP. It emphasizes that all members of society equally participate in development and equally share the fruits of development.

GDI is a development indicator related to gender. It measures the basic capacity and achievement as HDI does, but focuses on the inequality of achievements of men and women. The greater the gender disparity in basic capacity, the lower a country’s GDI is compared with its HDI.

GEM also measures gender equality. It focuses on whether women and men can actively engage in economic and political life and policymaking. The greater the gender disparity in engagement, the lower GEM is.
The current situation of gender inequality in China, influential factors leading to this inequality, and its possible social impacts are closely related to institutional changes in the political and economic systems of the country. Since the market-oriented economic reforms, mainstream economists in China had been focusing solely on GDP growth without examining China’s economic mechanism from a gender perspective. China lags behind the international community in research on gender and macro economy, as well as gender and development. Gender has remained a blind spot in China’s macroeconomic policy-making. Young female economists in China have taken the historical responsibility of mainstreaming the study of gender in the field of economics. They have explored gender-related economic theories and empirical research from the aspects of labor supply, unemployment, occupational mobility, salary, labor migration, informal employment, allocation of family resources, care provision, time allocation, and provided solid basis for the reform and improvement of China’s macroeconomic policies. By drawing on existing literature and available statistics on gender and development, this paper attempts to analyze the major issues in China’s economic development from a gender perspective.

Due to space limitations, this article mainly covers gender issues in the labor market. In Part II, we describe and analyze the status of gender inequality during China’s economic transformation and the causes of gender disparity and inequality, by focusing on three selected areas: employment opportunities, income and unpaid labor. In Part III, we explore the possible implications of gender inequality in China on economic and social development. In the last part we make policy recommendations for China’s future economic and social development from a gender perspective.

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9Source: UN’s Human Development Report. The UNDP modified GDI after 2010, so the comparison ended at 2009.

II. Gender Equality during China’s Economic Transformation

1. Gender Disparity in Employment Opportunities

Equal employment opportunity means “equal opportunities in applying for a specific job, obtaining the job and receiving related education or occupational training, and equal opportunities to receive certain job qualifications, be recognized as employees and promotion (International Labor Office, 2001)”, including labor supply (for example, the total number of working age population, labor force participation rate, number of hours worked, etc.), unemployment, and occupational mobility, among others. The discussion of employment opportunity in this part concentrates on the labor force participation rate and occupational structure. According to the Fourth, Fifth, and Sixth National Population Census, the total number of men and women participating in the labor market has increased continuously along with China’s economic growth and urbanization\(^1\). However, the labor force participation rates for both men and women are decreasing, with women at an even faster pace. Women have been marginalized in the occupational structure: compared to their male counterparts, they are less likely to work at the administrative level and more likely to concentrate in lower-level jobs.

Since the founding of the People’s Republic of China, the Chinese government has regarded the increase of women’s labor force participation as an important measure of gender equality and the improvement of women’s status. As a result, the Chinese women’s labor force participation rate was higher than that of most other countries at the time (United Nations, 2000). Yet, since the market-oriented economic reform, the Chinese women’s labor force participation rate has declined. Especially after the privatization of state-owned enterprises in the 1990s, the women’s labor force participation rate dropped by a large margin, and the labor force participation rate of mothers with pre-school age children dropped even further (Li et al., 1999; Yao and Tan, 2005)\(^2\). According to the working-age population data from the Fifth National Population Census in 2000, the labor force participation rate was 82.5 percent for Chinese men, and 71.5 percent for Chinese women. In the Sixth National Population Census in 2010, the numbers are 78.2 percent and 63.7 percent for men and women, respectively. As is shown in Chart 1, the gap between the labor force participation rates of men and women was 11 percentage points in 2000, and it grew to 14.5 percentage points in 2010. Although the labor force participation rates of both men and women are declining, women's labor force participation rate is declining at a higher speed. The decline in labor force participation is not always negative: the improvement of productivity due to technological advancement, and the decline of labor force participation due to income increase represent

\(^1\)In the Fourth National Population Census (1990), China has 647,244,706 people in the labor force, where 291,014,453 (45.0 percent) of them are women. (Source: Fourth National Population Census, from Gender Statistics in China: 1990-1995, 1998, China Statistical Publishing House: 322;.) In the Fifth National Population Census (2000), China has 699,480,000 people in the labor force, where 316,880,000 (45.3 percent) of them are women. (Source: Fifth National Population Census, from Women and Men in China, 2004, China Statistical Publishing House: 42;.) In the Sixth National Population Census (2010), China has 761,050,000 people in the labor force, where 350,080,000 (46.0 percent) of them are women. (Source: China Statistical Yearbook 2011, cited from Women and Children Statistics in China, edited by the Department of Social, Science and Technology Statistics of the National Bureau of Statistics of China. 2011: 40. Unpublished source.) The absolute number of men and women in the labor force increases from 1990 to 2010.

\(^2\)According to data on state-owned enterprises employees in the second national survey of women’s social status, female laid-off workers previously employed in the state-owned enterprises reported a shared difficulty of re-employment. 49.7 percent of them faced age and gender based discrimination in re-employment, which was 18.9 percent higher than that of their male counterparts. (Source: Women’s Research Group, All-China Women’s Federation, Women’s Status in China’s Social Transition, 2006: 875.)
social development. However, in 2010, 27 percent of Chinese women who dropped out of the labor force reported their reason as “taking care of families”, compared with 2 percent of unemployment men reporting the same reason\textsuperscript{13}. Limited by a gendered division of labor, women have far fewer job opportunities than men.

Gender disparity is also pronounced in occupational structures. According to the national population census in 2010 (see Chart 2), 48.3 percent of the working population were employed in the primary industry. 24.2 percent of them were employed in the secondary industry, and 27.5 percent of them were employed in the tertiary industry. 53.2 percent of women, that is, over half of the female labor force, were in the primary (agricultural) industry. This number is higher than the average (48.3 percent) employment rate in agriculture and is almost 9 percentage points higher than the percentage of men working in agriculture (44.4 percent). In addition, men migrated to the urban areas earlier and in a faster speed than women. Compared with 28.1 percent of working men employed in the secondary industry, only 19.3 percent of working women were employed in the same sector. The total percentages of men and women in the tertiary industry were about the same; however, women were more likely to be involved in the traditional service while men were more likely to participate in the modern service.


According to the Annual Statistical Report of Wages in 2011 (see Chart 3), the gender composition of occupations in the urban areas shows that the percentages of men and women employed in different occupations vary greatly. Women were concentrated in jobs that represent the social extension of their family roles, such as healthcare, lodging, education, and culture, or those that do not require a lot of physical labor, like finance, wholesale, and service. By contrast, in areas like construction, mining, transportation and power supply, which had been traditionally dominated by men, the proportion of female employees was significantly lower. Certain occupations were closed to female employees due to safety reasons. Compared with men, women had far fewer job opportunities that could bring occupational prestige and higher income in the labor market.

Differences in job opportunities in the formal and informal employment is another example. Labor statistics in China tend to treat employment in the urban areas as formal employment. As shown in Chart 4, women comprised a smaller share of the population employed in the urban areas. Not only is women’s share far smaller than that of men, it is also declining yearly: it declined by nearly 2 percentage points between 2000 and 2011.

**Chart 3 Gender Composition of Occupations in the Urban Areas, 2011**

Different from formal employment, informal employment refers to “economic activities outside the institutionalized economic structure” (ILO). Informal employment is volatile and nonstandard in income, working hour, labor relation, working condition, social security and business activities. In the process of industrialization and urbanization, migrant workers, laid-off workers, women, and other low-skill workers are predominantly informally employed.

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2010, from 38.0 percent to 36.3 percent. In clear contrast is the rise of women's participation in the informal employment. Calculations based on the 1 percent population sample survey in 2005 (Xue and Gao, 2012) showed that 42.39 percent of women were engaged in informal employment. Gender-based occupational segregation exists even within informal employment. Female workers in the informal sector were mostly commercial and service staff, whereas male workers in the informal sector were mostly technicians and managers. This reflects the marginalization of female workers in the informal employment sector (Ren and Peng, 2007).

Many factors contribute to the current female labor force participation rate in China. First, the women's labor participation rate is influenced by state policies and social environment. The market-oriented reform in China has undermined the state's protection and support for women in the labor market. The emphasis of efficacy rather than fairness in the market without necessary regulations from the state, together with lack of governmental support in job protection and social welfare, lead to the discrimination against women in the labor market and gender-based occupational segregation, particularly the decline in women's labor force participation. It also leads to the return of the traditional gender role—"men work outside as the breadwinner and women stay at home to take care of the family." Second, married women's labor force participation is influenced by the income gap between husband and wife. Empirical studies in China showed that when the potential income gap between husband and wife widened, the one with the higher income would stay employed in the market whereas the one with lower income would engage in household production. Research has found that since the 1990s, the decline in women's labor force participation in the urban areas occurred primarily among low-income families (Dong et al., 2009). When women's average wage income in the market is lower than that of men, it appears that men tend to work outside and women tend to stay at home (Li et al., 1999). Third, the women's labor force participation rate is also influenced by housework and family care. When the government and employers withdrew from the responsibilities of social welfare and care provision, and when family affairs

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became a private matter, the accessibility and price of childcare resources, in addition to wage income, affect many mothers’ decisions of participating in the labor force. Income level in the labor market, accessibility of childcare resources, and family structure tend to impact women's labor force participation more than that of men (Du, 2008). During the 1990s, subsidies for nurseries and kindergartens were slashed in the privatization of state-owned enterprises. Nursery services were privatized, forcing many mothers of preschoolers to drop out of the labor market, leading to a widened gender gap in labor force participation (Du and Dong, 2010). The responsibility of child care hinders married women in the rural areas from participating in non-agriculture work (Wang and Dong, 2010). Fourth, the women's labor force participation rate is largely influenced by women's educational attainment. Among married women, those who have higher educational attainment have higher labor force participation rates. Married women with the lowest educational attainment experienced the largest decline of labor force participation. They are more likely to lose their jobs and have difficulties in re-employment (Yao and Tan, 2005). Fifth, women, especially those employed in the private sectors or employed informally, are usually forced to leave the labor market at childbearing. Most women in smaller private enterprises do not have any welfare on maternity leave, maternity subsidy, or job guarantee after the childbirth (Liu, Guo, et al., 2011).

2. Gender Disparity in Income

Income is an important measure of outcome equality, for both the outcome of education and employment. It is an embodiment of labor value and social justice. In this section, we study income from a gender perspective, focusing on the income gap between men and women. In the labor market, it is common in all countries that women's wages are lower than men's (Altonji, 1999). There are two measurements to quantify wage disparity. The first one measures the difference between logarithmic wages of men and women, which reflects men's wages as a percentage of women's. The second one measures women's wages as percentage of men's wages (Liu, 2012). Some research shows that physical differences and gender role disparities between men and women result in different productivity (Dong and Zhang, 2009). However, many studies argue that educational attainment and work experience—reflected by productivity—can only explain part of the gender gap in wage payment. The portion of the gender wage gap that cannot be explained by educational background and work experience, is gender disparities in wage payment and is called the residual wage gap. It comes partly from gender segregation in the labor market, and partly from wage discrimination against women in the market (Becker, 1971). Next, we will elaborate on the Chinese scenario as it relates to these two aspects.

As to the definition of wage discrimination, Becker (1971) argues that, if the employer gives different wages to male and female employees with same production capacity, then there is wage discrimination. There are two explanations for why there is discrimination in the market. The first one is Becker’s theory of taste for discrimination (Becker, 1971). Becker thinks that discrimination is a matter of individual taste. If an individual’s preference for others’ race and gender can improve his own subjective wellbeing, then he is willing to pay higher for that. The secondary explanation is the theory of statistical discrimination, which holds that gender discrimination is not caused by personal taste, but the adverse selection problem due to insufficient information. The employee is discriminated against simply because he/she belongs to a certain special group (Aigner and Glen, 1977).
The gender gap in payment was small. The economic reforms that began in 1978, and especially the privatization process of state-owned enterprises during the 1990s, gave increasing autonomy in management to companies and other employers who now had the right to decide the type of work and wage payment of their employees. Since then, the wage disparities between men and women began to emerge. Because of differences in survey time, coverage, and sampling methods, the calculated gender gaps in payment vary from each other. Nevertheless, as shown in Table 2, there is a significant gender gap in wage payment in China’s labor market, and the disparity is expanding as the economic reform deepens. For example, according to Li Chunling and Li Shi’s (2008) analysis on the Chinese Household Income Project, the annual income of women was 84.0 percent of that of men in 1988. This number declined to 80.0 percent in 1995, and 79.0 percent in 2002. Women’s annual income as a percentage of men’s steadily declined during these 14 years. According to Zhang Dandan’s analysis with CHNS data, the percentages of women’s annual income against men’s were 94.2 percent, 76.4 percent, and 77.5 percent in 1989, 1993, and 1997 respectively. Again, there is robust evidence that the gender gap in wage payment has been expanding since the 1990s.

### Table 2 Gender Gap in Wage Payment in Selected Literature

<table>
<thead>
<tr>
<th>Time</th>
<th>Women/Men (%)</th>
<th>Comparison Indicator</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986.7</td>
<td>82.3</td>
<td>Monthly Wage</td>
<td>China Statistics Press, Chinese Women's Statistics</td>
</tr>
<tr>
<td>1988</td>
<td>84.4</td>
<td>Annual Income</td>
<td>Gustafsson and Li, 2000</td>
</tr>
<tr>
<td>1988.7</td>
<td>84.5</td>
<td>Monthly Wage</td>
<td>China Statistics Press, Chinese Women's Statistics</td>
</tr>
<tr>
<td>1990.9</td>
<td>77.5</td>
<td>Annual Income</td>
<td>All-China Women’s Federation and National Bureau of Statistics, The Second National Survey of Women’s Status in China</td>
</tr>
<tr>
<td>1992</td>
<td>85.9</td>
<td>Monthly Income</td>
<td>Hughes and Margaret, 2002 Survey on Employment in 12 Provinces</td>
</tr>
<tr>
<td>1993</td>
<td>82.9</td>
<td>Hourly Wage</td>
<td>Zhang Dandan (2004) CHNS, Urban Data</td>
</tr>
<tr>
<td>1995</td>
<td>82.5</td>
<td>Annual Income</td>
<td>Gustafsson and Li(2000)</td>
</tr>
<tr>
<td>1997</td>
<td>77.5</td>
<td>Hourly Wage</td>
<td>Zhang Dandan (2004) CHNS, Urban Data</td>
</tr>
</tbody>
</table>
According to data from three national surveys of women’s social status in China, the gender disparity in income in the labor market has been expanding from 1990 to 2010. As shown in Chart 5, the average income of urban women as a percentage of that of men dropped from 77.5 percent in 1990 to 67.3 percent in 2010, which was a drop of roughly 10 percentage points. The increase in income disparity in rural areas has been even greater than that in urban areas. The average income of rural working women was 79 percent of that of men in 1990. This number plummeted to 56 percent in 2010, which meant that the average income of rural women was only a bit more than half of the income of rural men. The distribution of average income by gender in 2010 in rural areas indicated that rural women’s lower average income could be attributed to the income structure. Women comprised only 24.4 percent of the highest income group, while they accounted for 65.7 percent of the lowest income group, as shown in Chart 6.

Note: This chart is developed based on Liu Xiaoyun’s chart in “Analysis of Gender Wage Gap: Desegregation of Average Wage Disparity” in Gender and Development: Empirical Research Methods, edited by Zhang Liqin, Du Fenglian and Dong Xiaoyuan, 122-152. China Social Sciences Publishing House: 2012.

In the third national survey of women’s social status in China, income of rural men and women was calculated based on working hours and performances in the labor market, plus income from property ownership. Income from property ownership refers to rent or interest generated from ownerships or shares of houses or savings.
The major reason behind the gender income gap is gender segregation in the labor market, which segregates men and women by occupations and economic sectors. For example, engineers, technicians and senior managers are predominately men, as expected by the traditional social division of labor and social norms.

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whereas secretaries and nurses are mostly women: this is occupational segregation. On the other hand, male migrant workers are mostly in the construction sector, whereas female migrant workers are primarily concentrated in the hair salons, housekeeping, and service businesses which compose the sectorial segregation. Compared with men, women are often engaged in occupations and sectors that pay less. Reasons for gender segregation can be found on both the supply side and the demand side. On the supply side, under the traditional gender division of labor and social norms, women have to take up most of the family care responsibilities. In order to take care of children and the family, many women choose jobs that are more time flexible or less physically demanding. These types of jobs tend to pay poorly. On the demand side, gender stereotypes or information asymmetry leads to discrimination against women by employers. It is worth noticing that social discrimination and personal preference are reinforcing each other. For example, the injustice women suffered from in the labor market dampened their willingness to work, and cultivated a perception that women should only participate in certain types of occupations in the society. Influenced by this perception, women themselves would develop so-called "female occupation" preferences (Phelps, 1972). Regardless of these reasons, gender-based occupational segregation results in women's concentration in limited occupations and sectors, which lead to income disparities.

According to the Chinese Family Panel Studies\(^\text{23}\) in 2011, men's wages were higher than women's in every sector. However, the gender gap in wage payment in the public sector and the state-owned enterprises was smaller than that of the private sector or household businesses. The gender gap in wage payment is the smallest in the public sector, and the biggest in private enterprises, as shown in Chart 7. In addition, men's wages are higher
than women’s in every occupation. The gap between the annual wage of male managers and that of female managers is roughly 13,000 RMB, which is the biggest in all occupations. The wage of male clerks and that of female clerks is almost the same, which is the smallest in all occupations, as is shown in Chart 8 (Deng and Ding, 2012).

Chart 7 Annual Wage Income by Economic Sector

Chart 8 Annual Wage Income by Occupation

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24Chinese Family Panel Studies (CFPS) is a major social science project conducted by the Institute of Social Science Survey of Peking University. Through comprehensive data collection on individuals, households and communities, it aims to reflect social, economic, population, education and health changes in the Chinese society.

25Source: CFPS 2011.
A gender gap in wage payment may result from either competence difference or discrimination. One important indicator of competency is educational attainment. The gender gap in educational attainment has been gradually narrowed since the market-oriented economic reform. The share of female college students rose from 23.4 percent in 1980 to 33.7 percent in 1990, and from 40.9 percent in 2000 to 50.8 percent in 2010 (An, 2011). It only took three decades for the proportion of female college students to double and surpass that of male college students. The gap in average schooling years of men and women narrowed from 1.9 years (7.4 years for men, 5.5 years for women) in 1990 to 1.3 years (8.3 years for men, 7.0 years for women) in 2000, and 0.8 year (9.2 years for men, 8.4 years for women) in 2010. Apart from the low enrollment rate of rural women, Chinese urban women have generally gained equal access to education at all levels, which is unprecedented in Chinese history. However, the narrowed gender gap in educational opportunity has not decreased the gender gap in income. Empirical studies on China’s labor market showed that both discrimination within occupations and among occupations contribute to the gender gap in wage payment (Wang, 2005). Discrimination within occupations contributes as much as 68 percent of the gender gap in wage payment (Li and Ma, 2006). Research focusing on doctoral students’ study and employment showed that all people with doctoral degrees have monthly incomes lower than their expectations. However, men with doctoral degrees have higher expected monthly incomes, higher acceptable lowest monthly incomes, and higher actual monthly incomes than their female counterparts (Ma, 2008), as is shown in Table 3.

| Table 3 Expected Income and Acceptable Lowest Income of People with Doctoral Degree *(Yuan)* |
|-----------------------------------------------|---------------|---------------|
|                                              | Men with Doctoral Degree | Women with Doctoral Degree |
| Expected Monthly Income                       | 6836.6         | 5486.0        |
| Acceptable Lowest Monthly Income              | 4393.0         | 3509.1        |
| Actual Monthly Income                         | 5145.7         | 4316.8        |

(Unit: Yuan)

It is clear that the increase in educational attainment has led to growth in men’s and women’s income in China, but it has not resulted in a narrower income gap between men and women. To put it another way, improved educational attainment of Chinese women has not been translated into equal status in the labor market or equal recognition of and remuneration for their labor value.

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3. Gender Disparity in Unpaid Care Work

Existing studies show that one important reason for discrimination against women in the labor market is that women are burdened with child-rearing and housework, and are therefore saddled with substantially more family care responsibilities (Liu et al., 2008). Unpaid family care work is neither recognized by the society, nor included in the GDP or conventional labor force surveys. Because unpaid family care work limits women’s participation in the labor force and their occupational choices, it is the main variable responsible for gender discrimination and the gender gap in wage payment in the labor market (Elson, 1999). In addition, unpaid care work has a considerable adverse impact on women’s individual rights, capacities and autonomy (Robeyns, 2002). In this part, we will first briefly introduce the definition and features of care work. Then, we will explain why it is women that shoulder most of the family care work from the New Home Economics perspective and the Feminist Economics perspective. Moreover, we will discuss the impact of unpaid care work on women in the background of China’s economic transition. Finally, we will discuss the value created by unpaid care work.

Care work refers to direct care for people, which includes not only physical activities of providing care, but also construction of emotional bonds and demonstration of care for the recipients. There exists paid care work and unpaid care work, with the former provided by the government, the market, and for-profit or non-profit private institutions, and the latter provided by family members, friends and in some cases volunteers from churches and other charity organizations (Dong, 2009). In almost every country, women represent the bulk of both paid and unpaid care workers. Care work is different from work of other forms in three ways. First, care work entails care and love for the persons being cared for (Himmelweit, 1999; England and Folbre, 2003). Care work, in the absence of emotional care for the persons being taken care of, is incomplete. Compared with other types of work, care work requires internal motivation. Therefore, genuine love for the persons being taken care of is extremely important. Second, labor input is the most important factor in care work. The fact that care work is provided directly to people makes it harder to form economies of scale than other kind of work (Himmelweit, 2005). To improve productivity by increasing the average number of care receivers per caregiver tends to sacrifice care quality. Thus, the improvement of productivity in care work is much slower than in other sectors. High-quality paid care work is expensive, which low-income families cannot afford. Therefore, for low-income families, family care can hardly be replaced by care provided by the market. Third, family care has an external economic and spillover effect (Folbre, 2004). Investment in high-quality care and education for children will bring high rate of return to the society (Carmerio and Heckman, 2003; World Bank, 2006).

In nearly all countries in the world, the responsibility of taking care of the young, the old, the ill, the disabled, and family members falls on women. New Home Economics and Feminist Economics have their explanations of why this is. New Home Economics holds that families are both consumption and production units. Both the wife and the husband have shared interests. Assume that their interests are all altruistic, that is, they care about the interests of each other’s instead of their own. Generally the market wage of the husband is higher than that of the wife, and the household productivity of the wife is higher than that of the husband, therefore a pattern is formed where the husband is engaged in market labor while the wife is engaged in housework. However, the theory of New Home Economics advocated by Becker and others has the following deficiencies (Folbre, 2004). First, the interests of family members are often conflicting. Second, this theory overlooks the inequality
in the division of family labor, and the imbalance of rights between men and women. For example, dedicating themselves to housework makes women financially dependent on others, and they would lose their source of income when widowed or divorced. In addition, women's human capital investment in family care is more likely to depreciate. Thirdly, due to the asymmetric information\textsuperscript{28}, external economy effect, and spillover effect of care work, the allocation of care work by the family or the market is not necessarily the optimal choice for the society. Given the shortcomings in New Home Economics theory, Feminist Economics gives another explanation on why women shoulder most of the responsibilities of unpaid care work. This theory holds that the gender roles of men and women are socially constructed, and that people's behaviors and decisions are shaped by customs, institutions, laws and regulations. Traditional gender norms reinforce the gendered division of labor through the interaction between the labor market and marriage market, which not only influences individual behaviors, but also the economic system and public policies. This in turn reinforces traditional gender norms. The traditional gender norm that “men work outside as the breadwinner while women stay at home to take care of the family” still influences people's behaviors, market operations and public policy-making (Elson, 1995). People take it for granted that women should be the caregiver while at the same time the contribution of women's care work is not fully recognized or valued. A case in point is that social security benefits are determined by wage level and the number of employment years, which neglects the contribution of unpaid care work provided by women.

After the founding of the PRC, families in China have evolved from the kinship tie centered, patriarchal and male dominated pattern in an agricultural society to the modern nuclear family pattern where the husband and the wife share equal rights inside the family (Ding, 2001). Gender equality advocated by the government has promoted equal participation of urban women in social production and activities, to a large extent. In a way, policy intervention by the government has changed gendered division of labor and rebuilt gender relations in China (Jiang, 2000). Although traditional gender stereotypes still applied, the social welfare policies and public services provided by the government through the work units largely offset the dual burden of work and family bore by Chinese urban women (Liu et al., 2008). After the market-oriented economic reform, these public services were taken over by the market and families. When the public services provided by the market can no longer meet the needs of families and when families can no longer afford family care services, the responsibilities of family care fall back on women's shoulders. And when women participate in market competition with more family burden on their shoulders, discrimination against them begins to surface.

Data from the National Bureau of Statistics' time-use survey shows that the traditional gender stereotype of “men working outside and women staying at home” still affects modern family life. As is shown in Table 4, women spend almost three times as much time as men on unpaid work every week. Unpaid work takes up only 20.2 percent of men's time, but 47.1 percent in women's case. This phenomenon is more prominent in rural areas, where women spend over three times as much time as men on unpaid work, including spending four times as much time as men on taking care of children. It is clear that women—especially rural women—perform most of the unpaid work. Women are burdened both with unpaid work and paid work, which means they have much

\textsuperscript{28}Asymmetric information refers to the situation in which different parties in a transaction have different information. In social, political and economic activities, some members have more information than other members, which leads to information asymmetry. Information asymmetry could result in adverse selection. This often happens in transactions where the seller knows more than the buyer, although the reverse can happen as well. Selling a used car is an example of information asymmetry where the seller knows the car better than the buyer. Medical insurance is an example of adverse selection because the buyer has more information.
longer working hours and much less spare time each day than men (Dong and An, 2012).

Table 4 Average Time Use of Chinese (hour/week)²⁹

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
</tr>
<tr>
<td>Paid Work</td>
<td>42.0</td>
<td>30.7</td>
<td>33.0</td>
</tr>
<tr>
<td>Unpaid Work</td>
<td>10.6</td>
<td>27.3</td>
<td>12.9</td>
</tr>
<tr>
<td>Unpaid Housework</td>
<td>8.1</td>
<td>22.3</td>
<td>10.0</td>
</tr>
<tr>
<td>Child Care</td>
<td>1.3</td>
<td>3.6</td>
<td>1.5</td>
</tr>
<tr>
<td>Proportion of time spent on unpaid work in total working time (%)</td>
<td>20.2</td>
<td>47.1</td>
<td>28.1</td>
</tr>
</tbody>
</table>

Source: Dong and An, 2012

Empirical studies in China suggest that unpaid care work has adverse impacts on women's employment, income and other economic activities. Using the China Health and Nutrition Survey (CHNS) data from 1991 to 2004, Du Fenglian and Dong Xiaoyuan (2010) analyzed the impact of China's reform of child care provisions on the choice of child care in relation to urban women's participation in labor force. The study shows that women's participation in the labor force and the choice of children's preschool education vary greatly in different economic and social strata. Women with low educational attainment and from low-income families have a higher probability of withdrawing from the labor market and a lower probability of using formal nursery services. For working women, the higher educational attainment their husbands have, the higher the probability of them using formal nursery services. The study also finds that prohibiting public kindergartens from recruiting small children aged 0 to 2 greatly reduces women's labor force participation rate³⁰. In urban areas, wages of women with children is 20 percent less than that of their childless counterparts. The wage gap widened further by the end of the 1990s, and was much more prominent in the private sector than in the public sector (Jia and Dong, 2012). Studies also find that women taking care of their own parents do not compromise their labor force participation or their working hours, but taking care of their parents-in-law reduces both of these two indicators (Liu et al., 2010)³¹.

In addition, unpaid care work also affects women's individual rights, capacities and autonomy. Sufficient time at their own discretion enables people to pursue additional interests (Robeyns, 2002). Many working women face the dual responsibilities of work and family. Lengthy working hours are harmful for their health, restrict


³⁰In the era of the planned economy, women have an eight-week maternity leave. They are allowed to bring their infants to nursing rooms in the work units after the maternity leave. The infants then went to nurseries, kindergartens, and primary schools. This system used to promote women's labor force participation. After the market transition, taking care of children aged 0 to 3 became solely the mothers’ responsibility.

³¹This study argues that compared with taking care of their own parents, women face more pressure to participate in paid work when they are taking care of their in-laws, depending on the attitudes of their husbands. Traditional patriarchal ideology treats taking care of in-laws as women’s responsibility which could replace paid work, while taking care of women's own parents is voluntary and not compulsory thus women are expected to continue working. Taking care of parents-in-law may result in women's lower labor force participation rate, while taking care of their own parents would not affect their involvement in the labor market, although the total amount of time devoted to work and care increases.
their own development, and limit their social and political participation. Liu Lan and Chen Gong (2010) studied the relationship between taking care of parents and self-evaluated health conditions of urban married women. Results showed an adverse relationship between elderly care and self-evaluated health conditions. Taking care of parents increased the psychological and physical stress of married women.

In reality, unpaid care work has great economic value. According to Dong and An's (2012) analysis of the time-use survey data in China in 2008, the value created by unpaid care work was equal to 25 percent to 32 percent of China’s GDP, 52 percent to 66 percent of China’s consumption, and 63 percent to 80 percent of China’s gross output value. However, the value of women’s unpaid housework and their contribution to the family and to the society are not recognized in the market economy. Instead, unpaid housework hinders women from entering the labor market. For-profit companies and the competitive and profit-driven market prefer male employees with no family burden while rejecting women under the pretext that they suffer the dual burden of work and family. This makes women the first to be fired and the last to be hired in the labor market. They used to “hold up half of the sky” in the planned economy era, but are now the most unpopular and being discriminated against in the market economy. Changes in economic and public policies in the past three decades of the market-oriented reform has accelerated the marginalization of women in the labor market and exacerbated gender inequality.
III. Discussions and Impact

Drastic social transformation in China has brought rapid and sustained economic development and better economic strength, but it has resulted in a gender gap in the labor market and intensified conflict between work and family. These changes have far-reaching consequences.

First, these changes affect economic development. Gender inequality has a negative effect on labor force participation and human-resource utilization. In the context of market-oriented reform, gender disparities in job opportunities and wage payments in the labor market are increasing, which result in women's lower labor force participation in the labor market. For those women who stay in the labor market, their work motivations are dampened. Nowadays, more and more women in China have equal access to higher education and professional education. By the end of 2011, 51.14 percent of college students are women (Department of Social, Science and Technology, and Cultural Statistics of the National Bureau of Statistics of China, 2012). However, there is an emerging trend of rejection and discrimination against female college graduates in the labor market. It is particularly difficult for female college graduates to enter into the male-dominated industries or administrative level positions, which is a huge waste of high level female human resources. Women retire 5 to 10 years earlier than men in the current retirement system in China, which is also a significant waste of highly experienced and capable female human resources. Gender inequality also exacerbates the wealth gap in China. It interacts with the urban-rural divide. The average rural income is lower than the average urban income, and in rural areas women's income is lower than men's. Thus rural women become the group with the lowest income. In addition, gender discrimination may result in unequal access to education and employment opportunities, especially for women living in rural areas, areas with high poverty rates, or ethnic minority areas. This further leads to gender disparities in income, social security and public services.

Second, social development is affected. Offering women equal educational opportunities, economic rights and political rights is not only a demonstration of social justice, but also the best investment in social development. Conversely, gender inequality causes a loss to human development. As is shown in Chart 9, the loss of human development caused by gender inequality in China was as high as 40 percent (UNDP, 2010).
In addition, gender inequality will exacerbate gender imbalance in China. Certain Chinese laws and policies, such as different retirement ages for male and female civil servants, current rural land policies, economic policies and maternity leave policies, showcase the lack of a female perspective and impede women's survival and development. Gender inequality cultivates Chinese people's son preference. It intensifies the unbalanced sex ratio at birth in China and damages social justice and sustainable development in the Chinese society.

Third, families are affected. Gender disparity in the labor market and the underestimation of unpaid care work worsen gender inequality within families. Excluded by the labor market, women’s role inside the family is strengthened, accompanied with their deteriorating family status. After China’s market reform, a “social class of housewives” has emerged, along with the idea that women can change their fates by depending on men. This creates a note of discord in Chinese women's efforts to fight for equality and emancipation. The double burden from work and family also impedes Chinese women's social development. On the one hand, the society expects women to play a good family role. Yet on the other hand, the labor market denies women access because they play that central role in the family. The subordinate position of women within the family and in the labor market disadvantages them in political and social life. Furthermore, the shrinking family size and the pursuit of modern life make family care more demanding and time-consuming. Yet the government and the society do not advocate that men and women should bear family and social responsibilities together. Thus, with the traditional stereotype that “men work outside and women stay at home”, the responsibility of family care falls mostly on women. In China, reform of the pension system, increasing childbearing responsibility, higher cost of childrearing, insufficient public services, and changes in individual ideologies have shaken the tradition of raising children to provide old age support. There is a trend toward late marriage, late childbirth, and even voluntary childlessness in the urban areas. Meanwhile, corporate culture, policy orientation, and a faster life pace have produced negative consequences on the time availability and care quality of elderly care work inside families, which further amplify women's care work.

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Fourth, children’s education is affected. Inequality can be transferred across generations. The social status and educational ideologies of the parents affects their children’s views on issues like competence of men and women and gender equality. One study, A Gender Study on Female Science and Technology Professionals in China, examined the relation between girls’ evaluation on women’s capacity for scientific research, and their parents’ educational attainment. The study found that girls whose fathers were leaders or managers were most likely to agree that men were better than women in their capacity for scientific research, while girls whose mothers were leaders or managers were least likely to agree. Their evaluations were clearly affected by their parents’ occupations. Those girls whose fathers were leaders or managers saw men’s advantages in their daily life and were therefore prone to think men had better capacity for scientific research. By contrast, those girls whose mothers were leaders or managers felt women’s advantages more often in their daily life, and therefore disagree that men had better capacity for scientific research (Research Group of Science Times: A Gender Study on Female Scientists in China, 2011). Without proper guidance, consequences of gender inequality would influence the views and capacities of the next generation thus dampening human capital in the society in the long run. The reproduction of the culture of gender inequality is harmful and contrary to the socialist core values promoted by the Chinese Communist Party.
IV. Policy Recommendations

After the market-oriented economic reform, the Chinese government signed a series of UN's core human rights conventions. The Chinese government considers the respect and protection of human rights—including women’s rights—as an obligation and responsibility of the state and the government. Gender equality was included into the Report to the Eighteenth National Congress of the Communist Party of China as one of the fundamental state policies. Therefore, when discussing and formulating post-2015 development goals, the Chinese government should carry forward and promote the socialist traditions, honor its commitment to the international community and to its own people, and incorporate the values and goals of the abovementioned human rights conventions into the new human development framework for the future.

First, equality and justice shall be considered an important goal of the global agenda, as well as China’s economic and social development. From the previous analysis on employment opportunities, income and unpaid work, it is clear that inequality and injustice resulting from widening gender disparity have surfaced in Chinese people’s lives for the first time since the founding of the PRC. In the past three decades of reform, economic prosperity, market development and national wealth have brought people development opportunities and improved life, but they have widened the wealth gap and gender disparity. In addition, gender inequality is compounded by poverty, social class, an urban-rural divide, ethnicity, disability, marital status, age, sexual orientation, and social identity, making women all the more disadvantaged in various disadvantaged groups. This, together with some undesirable phenomena in the market and the society, has generated malignant inequality. This is not unique to China, but rather it is a common problem in the world. Therefore, when discussing the post-2015 agenda and the Chinese dream\(^\text{33}\), China should prioritize the reduction of the wealth gap and the realization of social justice as the first and foremost goal in sustainable development. China should pursue substantive equality instead of formal equality or protective gender equality, so that all members of the society, including both men and women, can equally participate in social development, and equally share its fruits.

Second, gender equality shall be mainstreamed into the policymaking of China’s macro-economic and social development. Gender mainstreaming is a global strategy adopted at the UN's Fourth Conference on Women, and the Chinese government was one of the first 49 governments to make a commitment on gender mainstreaming. The previous gender analysis on employment opportunities, income and unpaid work shows that when policymakers make macro-economic and social decisions, they tend to privilege economic benefits and wealth increases, blindly believing in market forces and the importance of GDP growth. Regarding the traditional gendered division of labor that “men work outside and women stay at home” as the basis of policy making, policymakers do not pay attention to the unequal outcomes including gender inequality brought by their seemingly “neutral” policies. Therefore, the government should mainstream gender equality into the policymaking of China’s macro-economic and social development. As a first step, it needs to analyze the impact of current economic and social policies, plans and programs on both genders, on different social groups, and on economic and social development. It shall purposely implement remedial measures or temporary actions to correct possible unequal and unfair outcomes so as to realize substantive equality. In addition, the government should evaluate the gender equality and justice assessments in its future plans of economic restructuring, income distribution reform and urbanization design, in order to eliminate all types of discrimination against women and other disadvantaged groups and protect the equal rights of both men.

\(^{33}\)Chinese dream is an administrative ideal and principle promoted by General Secretary Xi Jinping in the Eighteenth National Congress of the Communist Party of China in 2012. At the center of the Chinese dream is the “Two 100s”, that is: by the 100th anniversary of the Chinese Communist Party in 2021, and by the 100th anniversary of the founding of the People’s Republic in 2049, gradually accomplish the great rejuvenation of the Chinese nation.
and women to join and share the economic, social development and family happiness. Third, substantive equality and social justice shall be fully integrated into China’s “five in one” socialist development framework (economic, political, cultural, social and ecological development). Gender mainstreaming mechanisms shall be put in place to address deep-rooted structural and institutional issues of inequality and injustice, so as to truly implement the fundamental state policy of gender equality.

Third, interventions in the labor market shall be enhanced to eliminate gender discrimination in employment and occupation. The inequality in the previously mentioned three aspects means discrimination. It is not only based on gender, but also interacts with discrimination against other identities (race, skin color, religion, political views, national origin and social origin, etc.). Discrimination is evident not only in the abovementioned three aspects, but also in three phases: pre-market (education and training), in-market (occupational career) and post-market (retirement). The Chinese government signed the Convention on the Elimination of All Forms of Discrimination against Women in 1980, ratified the No. 100 Equal Remuneration Convention of the International Labor Office (ILO) in 1990, and also ratified the No. 111 Discrimination (Employment and Occupation) Convention of the ILO in 2007. Yet, for several years and even several decades since then, despite the Labor Law, the Employment Promotion Act and the Labor Contract Law it promulgated, there is still no clear definition of employment discrimination, neither the definition of direct discrimination nor the definition of indirect discrimination. In times of oversupply of labor force and economic recession, the Chinese government managed to get more than 760 million people employed, which was a remarkable achievement. But the government did not show the same courage and wisdom to solve employment discrimination and occupational discrimination as it did in solving unemployment. This has dampened the enthusiasm of workers, and resulted in lower productivity. The Eighteenth National Congress of the Communist Party aims to “promote employment with higher quality”, which sets an important direction and protection of advancing equality employment and fighting against employment discrimination in the labor market. Therefore, the following recommendations are made.

First, employment and occupational discrimination shall be clearly defined, including direct discrimination and indirect discrimination, so as to offer equal employment opportunities to all workers. Second, policies to fight against employment and occupational discrimination shall be formulated to regulate the Chinese labor market in order to establish and improve the employment system, promote employment environment, and to encourage corporations to take their social responsibilities. Multiple approaches including administrative, legal, and social measures shall be adopted with operational implementation and monitoring mechanisms to strengthen regulation and intervention on employment and occupational discrimination. Third, skill training and occupational guidance shall be strengthened and occupational segregation shall be eradicated in order to break the glass ceiling and give women equal opportunities for career development.

Fourth, the principle of equal pay for work of equal value shall be insisted upon in order to implement No.100 Equal Remuneration Convention. The reform of the Chinese income distribution system shall be accelerated. Traditional views hold that increasing gross domestic product can constantly improve economic efficiency and promote social progress, and that everything good in life comes from growth, thus we should pursue growth first and consider distribution later. The increased gender gap in payment we previously mentioned runs contrary to this myth. As the champion of economic growth, China witnesses the widening wealth gap and the rapid rise of Gini coefficient, which has led to unequal outcomes in economic participation. Therefore the following suggestions are made. First, according to the 46th provision of China’s Labor Law, wages should be work-based, and equal pay shall be made for equal work. Equal remuneration for equal work shall be applied to workers of different social identities and employments. Second, the government should give a detailed definition and standard for “work of equal value,” establish scientific and non-biased performance evaluation mechanisms, and gradually achieve equal pay for work of equal values. Taken together, these processes aim to end the underestimation of
women’s labor value in low-income industries clustered with female workers, break the occupational segregation in the labor market, and narrow the gender gap in payment. Third, to achieve social justice and equality of outcome, gender disparity and the wealth gap shall be reduced through tax, social security, social welfare and public services.

Fifth, the value of unpaid work shall be recognized and family care services shall be integrated into the public service system. Previous analysis of unpaid work suggests that the privatization, feminization and marketization of childcare and family care reinforce the traditional gendered division of labor and result in gender inequality. Since the beginning of the twenty first century, the Chinese government has strengthened social development, and has adopted the strategy of equalization of social services. However, the 12th Five-Year Plan for the Public Service System set by the government did not include the elimination of gender inequality or the recognition of unpaid work. Therefore the following suggestions are made. First, the provision of family service and family welfare shall be integrated into the national public service system. The government should focus on the development of the family service industry so as to introduce family care services into social welfare. This is an important method to eliminate gender inequality and the wealth gap (especially to support low income families), and a fundamental way of easing women's burden of unpaid work. Second, human-centered family policies rather than family planning policies shall be developed to help male and female workers with family responsibilities to balance their work and family. Family services shall be developed and a family-friendly social support system shall be built. Third, men and women shall be encouraged to equally share family and social responsibilities. Policies such as paternity leave and parental leave shall be introduced to encourage men to take family care responsibility in an equal manner. Fourth, the value of unpaid work shall be recognized by providing corresponding social security benefits and granting rights to family property in accordance with the value of unpaid work. The maternity coverage and health insurance system shall be developed.

Sixth, the reform of the political system shall be strengthened to promote women's participation in administration and policymaking. Gender inequality in the three aspects of the economy previously mentioned has been translated into a marginalized voice and lessened decision-making power for women in political life. The growth of the gross domestic product does not automatically lead to gender equality. Rather, unequal social norms are not only acquired in the process of individual socialization, but often reinforced by market signals, along with formal or informal institutions. Social customs in China assume that political and economic decision-making are men's responsibility, and that female leaders have “long hair but little brains”. The low level of women's political engagement further consolidates this misconception. Given that challenges to the existing systems and social norms can help promote gender equality, and that the collective initiatives of women can shape institutional, market and social norms, it is extremely important to increase women's engagement in policymaking, to improve the quality of their engagement, and to make democratic decision-making more scientific and more representative.

Last, gender equality and human rights education shall be included in China's cultural development. After the founding of the PRC, gender equality became the mainstream ideology. The improvement in gender equality that resulted from legal and other policies used to attract world attention. However, after market-oriented economic reform, various market failures, institutional barriers, social norms, and diversified culture have shaken and confused people's conception about the equality of men and women. So far, China has not embraced a continuous reflection on the concept of gender equality and its development which were largely shared by the international community. Because China does not have a long history of human rights culture, there appears to be a collective unawareness of core human rights principles including "equality", "non-discrimination", and "government obligation and responsibility". Therefore, the government should incorporate gender equality and social justice into China's mainstream cultural development, and make them an important component of China's socialist core values so that every Chinese would obey them in their minds and behaviors.
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