What Explains the Rise of Ethnic Minority Tensions in China?

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Introduction

- China is one of the most diverse nations, with 55 official ethnic minority groups comprising a population of nearly 113 million.
- Ethnic minority management is operated by a combination of government decrees, social policy protections, and local attempts to promote ethnic minority culture via festivals, food, sport, or dance in the mainstream.
- While the integration of ethnic minorities is a matter of great importance for China’s development, it is often conducted in a background of tense ethnic relations.
- In fact, in the past few years there has been a rise of flash ethnic violence in the relatively developed areas of China such as Beijing and Shanghai, to the far-reaching provinces of Xinjiang and Tibet.
- What explains the rise of ethnic unrest? And, are we to expect escalating ethnic violence in the near future?
The State’s Response

- The state’s response to repeated expressions of ethnic unrest continues to consist of oscillating soft and hard policies.
- The soft approach is exemplified by the building and upkeep of mosques and temples.
- The hard approach is represented by increasing the visible security presence, as well as ‘re-educating’ and ‘reforming’ religious leaders to ensure they do not advocate ‘fundamentalism’ or ‘radicalism’ as defined by the state.
State Policies’ Effects

• Studies suggest that state policies that limit religious practices are major contributing factors to ethnic minority tensions, for example:
  ◦ Public sector employees are forbidden to wear religious clothing or practice religious customs
  ◦ Individuals under the age of 18 are not allowed to enter religious places such as mosques/temples
  ◦ Chinese authorities have slowly phased out the use of ethnic languages in the majority of schools and universities, leaving Mandarin Chinese the main mode of instruction

• While ethno-religious repression is one of the main culprits behind ethnic unrest, socio-economic factors may play a strong(-er?) role in explaining ethnic unrest
Education and Labour Market Experiences of Ethnic Minorities
## Educational Attainment (Beijing - NBS)

<table>
<thead>
<tr>
<th></th>
<th>Non-Schooling</th>
<th>Primary School Education</th>
<th>Secondary School Education</th>
<th>Tertiary Level Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Ethnic Minorities</td>
<td>13.1</td>
<td>45.0</td>
<td>36.5</td>
<td>2.7</td>
</tr>
<tr>
<td>(National Average)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethnic Minorities</td>
<td>2.8</td>
<td>15.8</td>
<td>59.6</td>
<td>21.5</td>
</tr>
<tr>
<td>(Beijing)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hans (Beijing)</td>
<td>4.4</td>
<td>17.6</td>
<td>60.5</td>
<td>17.5</td>
</tr>
</tbody>
</table>

1: Includes Junior and Senior Secondary Schools, and Secondary Technical School Education
2: Includes Junior College, University and Post-Graduate Education
### Occupational Outcomes (Beijing - NBS)

<table>
<thead>
<tr>
<th>Occupation Sector</th>
<th>Ethnic Minorities</th>
<th>Han</th>
<th>Average Gross Income (RMB)</th>
<th>Occupation Sector</th>
<th>Ethnic Minorities</th>
<th>Han</th>
<th>Average Gross Income (RMB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking, Security and Insurance</td>
<td>1.58</td>
<td>2.42</td>
<td>92,764</td>
<td>Hotel, Restaurant and Retail Trade</td>
<td>18.13</td>
<td>12.22</td>
<td>32,109</td>
</tr>
<tr>
<td>Scientific Research and Technical Services</td>
<td>2.81</td>
<td>9.61</td>
<td>57,870</td>
<td>Other Professions</td>
<td>1.05</td>
<td>9.43</td>
<td>31,699</td>
</tr>
<tr>
<td>Electricity, Gas and Water (Production)</td>
<td>0.90</td>
<td>1.25</td>
<td>49,776</td>
<td>Real Estate</td>
<td>1.86</td>
<td>4.37</td>
<td>29,811</td>
</tr>
<tr>
<td>Public Management and Social Organization</td>
<td>5.44</td>
<td>6.07</td>
<td>47,277</td>
<td>Transport, Storage and Post</td>
<td>4.84</td>
<td>7.36</td>
<td>27,655</td>
</tr>
<tr>
<td>Health, Social Securities and Social Welfare</td>
<td>2.63</td>
<td>3.40</td>
<td>42,925</td>
<td>Manufacturing</td>
<td>21.40</td>
<td>21.27</td>
<td>24,958</td>
</tr>
<tr>
<td>Education, Culture, Sports and Entertainment</td>
<td>6.60</td>
<td>10.14</td>
<td>40,032</td>
<td>Mining</td>
<td>0.81</td>
<td>0.45</td>
<td>23,774</td>
</tr>
<tr>
<td>Geologic Prospecting and Management of Water Conservancy</td>
<td>0.18</td>
<td>1.58</td>
<td>34,950</td>
<td>Construction</td>
<td>7.77</td>
<td>7.83</td>
<td>23,300</td>
</tr>
<tr>
<td><strong>Average Wage</strong></td>
<td><strong>34,191</strong></td>
<td></td>
<td></td>
<td><strong>Services to Households and Other Services</strong></td>
<td><strong>10.97</strong></td>
<td>1.99</td>
<td>18,159</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>Farming, Forestry and Animal</strong></td>
<td><strong>13.03</strong></td>
<td>0.61</td>
<td>16,125</td>
</tr>
</tbody>
</table>
## Occupational Outcomes (Xinjiang – NBS)

<table>
<thead>
<tr>
<th>Occupational Sector</th>
<th>Uyghur %</th>
<th>Han %</th>
<th>Odds Ratios (Uyghur/Han)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking, Security and Insurance</td>
<td>0.06</td>
<td>0.52</td>
<td>0.43</td>
</tr>
<tr>
<td>Scientific Research and Technical Services</td>
<td>3.33</td>
<td>3.80</td>
<td>0.77</td>
</tr>
<tr>
<td>Electricity, Gas and Water</td>
<td>0.43</td>
<td>1.76</td>
<td>0.06</td>
</tr>
<tr>
<td>Public Management and Social Organization</td>
<td>2.54</td>
<td>4.84</td>
<td>0.28</td>
</tr>
<tr>
<td>Health, Social Securities and Social Welfare</td>
<td>0.04</td>
<td>0.46</td>
<td>0.01</td>
</tr>
<tr>
<td>Education and Culture, Sports and Entertainment</td>
<td>2.09</td>
<td>7.38</td>
<td>0.08</td>
</tr>
<tr>
<td>Geologic Prospecting and Management of Water Conservance</td>
<td>0.51</td>
<td>6.92</td>
<td>0.01</td>
</tr>
<tr>
<td>Restaurant and Retail Trade</td>
<td>4.04</td>
<td>12.83</td>
<td>0.10</td>
</tr>
<tr>
<td>Other Professions</td>
<td>0.39</td>
<td>1.13</td>
<td>0.12</td>
</tr>
<tr>
<td>Real Estate</td>
<td>0.26</td>
<td>1.48</td>
<td>0.03</td>
</tr>
<tr>
<td>Transport, Storage and Post</td>
<td>1.26</td>
<td>5.51</td>
<td>0.05</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>3.79</td>
<td>12.80</td>
<td>0.09</td>
</tr>
<tr>
<td>Mining</td>
<td>0.39</td>
<td>2.28</td>
<td>0.03</td>
</tr>
<tr>
<td>Construction</td>
<td>0.27</td>
<td>0.97</td>
<td>0.08</td>
</tr>
<tr>
<td>Farming, Forestry and Animal</td>
<td>80.60</td>
<td>37.32</td>
<td>4.66</td>
</tr>
</tbody>
</table>
Using CHNS data, between the years 1991 and 2000 there is an 8-17 percent deficit in monthly compensation between Han and ethnic minority workers.

After controlling for education, experience and minority status, there is little systematic bias between Hans and ethnic minorities over the years, or by occupational sector.

In sum, there is little significant evidence for statistical discrimination against ethnic minorities in terms of wages across all years and sub samples of the CHNS data.
Explaining Ethnic Penalties in the Labour Market
The Job Search and Hiring Process

- Ethnic minorities interviewed believed they were at a disadvantage compared to their Han counterparts in the process for obtaining employment.
- Hiring managers’ narratives suggest notwithstanding one’s human capital, certain ethnic groups may be more easily accepted into their working environment.
- In fact, the narratives suggest hiring managers fashioned a major segment of their hiring calculus on the perceived adaptability to the working environment – at the crudest level, they pondered: “Can I be friends with this person?”
Workplace Advancement

- When examining the demographics of SMEs and large enterprises’ senior level management, ethnic favouring was apparent.
- In general, this axiom seems to follow:
  - Minority candidates with high levels of human capital, but low levels of social network capital, will generally be less active in the labour market.
  - Minority candidates with low levels of human capital, but high levels of social network capital, will generally be active in the labour market, but may have a slower pace of workplace advancement.
  - Minority candidates with both high levels of human capital and social network capital are positioned best to find job opportunities and have a faster pace of advancement.
Explaining Potential Disadvantages

A. Discrimination

- There is a potential for Han employers to perceive ethnic minority status as a proxy for lower quality of human capital.
- An employer may undervalue an ethnic minority’s formal qualifications due to the prevalence of preferential treatment in education.

B. Lack of Social Network Capital

- Less than 10 percent of the ethnic minorities in the study found jobs through their social network.
- This may set an important precedent for future ethnic minority generations’ social network capital.
Explaining Potential Disadvantages (cont’d)

C. Inability to Fit with Working Culture

- In all enterprises observed, a monoculture reflecting the standpoint of the majority Han members was the reality.
- Among half of interviewees who perceived they “fit in” to the working culture of their place of employment, they reported greater opportunities for advancement within their current company.

D. Confidence

- Non-ethnic minorities self-reported higher levels of confidence earlier in schooling than ethnic minorities.
- Those who reported higher levels of confidence earlier in schooling earned better wages at present, and were promoted more quickly.
Explaining Potential Disadvantages (cont’d)

E. Low Social Trust

- Social trust generally refers to trust among strangers, rather than family members, friends or acquaintances involved in multiple interactions.

- Social trust applies to the job matching process since prospective employees and the employer must have a minimal level of trust in each other’s accountability before they can mutually engage in working together.

- This is especially important in cases where the prospective employees are found via open market searches such as direct application.

- The situation becomes cyclical given one of the main reasons behind the decline of social trust among ethnic minority relative to the dominant group is due to income disparities.
Policy Options
Alleviating the Ethnic Penalty

- From a social justice perspective, the existence of ethnic penalties in the labour market can be an affront to the normative principles of equality of opportunity.
- While the validity of this social justice argument can be debated, in order to further motivate policy action it is prudent to stress the “business case” and overall economic benefits for the community at large.
- Namely, Chinese education is highly subsidized, thus it is vital for the state to reap rewards on their “investment”, and ensure ethnic minorities realize their potential in the labour market and the economic losses that come with the under-utilization of their human capital are minimized.
- The state can initiate programs to improve the perception of ethnic minorities, which will ultimately enhance levels of social trust.
Alleviating the Ethnic Penalty (cont’d)

- Whether there is sufficient political capital or motivation necessary to enact policy changes is another question.
- Non-action in these regards can be explained if governments embrace the idea that the market is the final arbiter of social justice, i.e. the market can determine the fair distribution and compensation for labour.
- In line with this process, one potential fear if the government intervenes is that they may distort market conditions.
- The formidable roles of strong and weak social networks or social trust in the job allocation process demonstrate the inadequacy of leaving labour market equity to “market forces” – as these indicate potential market failures having little to do with statistical discrimination as traditionally understood.
Summary and Future Prognosis
Socio-Economic Explanations

- Ethnic minorities are increasingly experiencing ‘ethnic penalties’ in the labour market, whereby their comparable educational attainment/training to Hans, do not match similar labour market outcomes.
- Disproportionate access to the labour market creates, and reinforces existing, spatial divisions, with wages determining residential location.
- This does not bode well for the economic, social and political integration of ethnic minorities, and will only intensify perceived (or real) differences between Hans and ethnic minorities, thus reinforcing ethno-religious consciousness and tensions.
The Coming Years …

- In the short term, ethnic violence will be suppressed, as it has been in the past, with the use of hard policies.
- Soft policies will eventually be re-employed.
- In the long term, both the soft and hard policies currently practiced by the state do little to address the main reasons for a rise of ethno-religious consciousness.
- Left unattended, this will lead to increases in flash inter-ethnic violence.
Notes

- The findings and information reported in this talk is primarily based on the following: