

**Copyright**

**by**

**Gefei Liu**

**2014**

**The Report committee for Gefei Liu**

**Certifies that this is the approved version of the following report:**

**Haigui's predicament in the job market:  
is there opportunity at the end of the tunnel?**

**APPROVED BY**

**SUPERVISING COMMITTEE:**

**Supervisor:**

---

Rosental Alves

---

Mary Bock

**Haigui's predicament in the job market:  
is there opportunity at the end of the tunnel?**

**By**

**Gefei Liu, B.Litt.**

**Report**

Presented to the Faculty of the Graduate School

of the University of Texas at Austin

in Partial Fulfillment

of the Requirements

for the Degree of

**Master of Arts**

The University of Texas at Austin

May 2014

## **Abstract**

# **Haigui’s predicament in the job market: is there opportunity at the end of the tunnel?**

By

Gefei Liu, M.A.

The University of Texas at Austin, 2014

SUPERVISOR: Rosental Alves

Driven by the desire for a bright future and a successful career, many young people in China are embarking on overseas odysseys to pursue higher education degrees in order to get decent jobs when they return to China. Those people who are educated abroad and come back with higher education diplomas are called “Haigui” in Chinese. Although they excel in their fields and are capable of the occupations that they dream of, most of them fail to get the jobs they so crave because of reasons beyond their control, such as the slump of the job market, unfair parental privilege, and the high density of Haigui in large cities. This story depicts the job-hunting experiences of four characters – Ye, Zhang, Erin and Wu. (They requested not to use their real names for privacy concerns.) Their accounts showcase different facets of why Haigui employment in China is so dire. Until the job market in China improves and stops favoring nepotism, the number of Haigui will continue to rise as more and more Chinese students leave the country in search of better futures.

**Table of contents**

Text.....1

Sources.....14

## **Haigui's predicament in the job market: Is there opportunity at the end of the tunnel?**

By Gefei Liu

The blazing sun tanned the road ahead in eastern Beijing. There was no breeze, which rendered the air motionless and heavy. A dog dozed in the shade of a tree and its owner sat beside, cooling himself down with a fan in hand.

It was the most scorching summer, physically and mentally, for a Haigui couple in June 2012. They were bathed with sweat in the sun, handing out flyers on the street corners.

Despite the fact that they both received advanced degrees from American universities, when they moved back to China, what awaited them was unemployment. The term "Haigui" literally means turtle, but it is widely used in China to refer to Chinese people who have overseas degrees and return to China in search of job opportunity. Traditionally, Haigui seemed to be erudite and high-income elites – but that is no longer the case.

The reason it is so difficult for Haigui to find jobs is because of high unemployment rates among college graduates in China. Therefore, the more highly qualified Haigui return to China, the fiercer the competition is in the job market.

Fang Hu, a surveyor for the Education International Cooperation Group, said the yearly growth of Haigui returning, their concentration in large cities, and their family connections all determine a Haigui's employment.

Some Haigui suffer difficulties of finding good jobs, and some are not satisfied with their current jobs but cannot find better ones. Nevertheless, the number of Haigui continues to grow as more people choose to go abroad – if their family budgets allow – in order not to lose in the future competition for their dream jobs.

Ye, Zhang, Erin, and Wu are four young Chinese people trying to enter the job market in their country. Their stories show the plight Haigui face while searching for a job in China, such as unfair competition due to nepotism, measly salaries, and

heavy workloads. They shared their stories but requested their full names not be used for privacy concerns.

### **Misery in the job market**

Ye, 29, studied international marketing in France for four years and then obtained her master's degree. She recalled her excitement for the future when she landed in Europe to begin her graduate studies in 2009. Now, she believes that she was naïve.

"I think because I have learned another language and an important business skill, my career path should have been brighter than the time when I graduated with my bachelor's degree," Ye said. "I cannot believe the job market slumped so much. Even a low-salary job is beyond reach now."

Ye's plight is just one example of what thousands of Haigui face in recent years.

"My last resort is to take part in 'Nobody But You' if I still have no job offers in the following three months, don't you think?" Ye said.

"Nobody But You" is a job-hunting show that airs in China every Sunday night where candidates in hopes of being hired show off their capabilities to impress 12 potential employers. Ironically, it is more of an entertainment show than a job-hunting platform since the host and the bosses tend to goad candidates into building a fun and sometimes embarrassing atmosphere to boost audience ratings. Thus, many candidates are reluctant to interview on the show. And Ye is no exception.

According to the "2012 Haigui Employment Report" released by the Chinese Service Center for Scholarly Exchanges (CSCSE), 80 percent of Haigui are 24 to 30 years old. Those with master's degrees account for 76 percent, Ph.D. degrees 11.2 percent and bachelor's degrees 11.9 percent. Among the 4,678 Haigui working in Beijing, 11.9 percent hold Ph.D. degrees and 88.1 percent have master's degrees.

Bai Zhangde, the director of CSCSE, said hunting for a decent job in China is like looking for a needle in a haystack. To relieve the employment pressure, CSCSE assists Haigui in finding occupations.

"Currently, CSCSE launches job fairs twice a year connecting employers with Haigui," Bai said. "The latest job fair attracted more than 3,000 Haigui. Eight hundred jobs were provided by various entities, including state-owned enterprises, foreign companies, universities, financial corporations and private enterprises. The employers participating the job fair came from a range of fields, including finance, media, publication, mechanics, medicine and so on."

But even with the help of job fairs, Haigui still endure unemployment.

Ye completed her master's degree in the summer of 2012 and returned home in February 2013. In her words, her life in 2013 was an absolute nightmare filled with endless trips and insomnia.

"A job is so difficult to find, especially a job with a satisfactory income and medium workload," Ye said. "Many people quit their former jobs and re-enter the market. Unfortunately, they fail to find a better occupation and end up unemployed."

But Ye will not give up despite the difficulties and will continue applying for jobs in various cities until a desirable offer comes her way.

"The first job after graduation is extremely significant to a person with no work experience like me," Ye said. "If I screw it up or make a hasty decision, I will undoubtedly become a loser."

Ye began searching for work since February 2013 and has since continued on her quest to find the perfect job.

Ye was confident that her resume made her a strong competitor in the job market. Although it's only one page, Ye's resume is filled with her many accomplishments, including her scholastic achievements, internships and skills.

"This resume is essentially the past 29 years of my life," Ye said. "However, in the eyes of companies viewing hundreds, even thousands, of resumes every day, it is just another piece of paper in the pile. But I have no other option but to keep sending out my resume. I might receive only one reply asking if I'd like to take an exam among fifty applications," Ye said. "Candidates will receive a reply asking about exams for potential employees if the resume passes the initial review stage. They



qualify for an interview only if they pass the exam."

Despite taking more than 30 exams, only three companies called Ye back for interviews.

Some exams and interviews were not conducted in her home city so she had to shuttle back and forth. "I have been on business trips more than 20 times," Ye said. "Exams, interviews and online job applications have governed my life since I came back to China. I can't even calculate how much money I spent on trips, and I know I will spend even more until I get an offer."

Ye applied to a multitude of state-owned enterprises and national banks at first but she did not receive a single call back.

"Most of the job offers in state-owned enterprises and national banks are already decided by higher-level managements but not officially announced," Ye said. "Such iron rice bowls cannot fall in others' hands because there aren't enough available positions to even accommodate those who have connections, let alone outsiders."

Iron rice bowls refer to jobs sponsored by the government, which are popular because whether people work hard or not, their incomes are lifelong and stable. Ye said if candidates do not have power, prime connections or money, these kinds of jobs are beyond their reach.

Ye recounted the time she interviewed in Beijing for a state-owned enterprise that specialized in insurance. Ye thought she was a strong candidate because she ranked No. 3 on the exam. However, she did not receive her dream offer. When she called the company, they said that she was simply not the one they were looking for.

"Of course, companies never tell candidates why they failed," Ye said. "When I found out who were employed, I felt better because none of the three candidates who scored highest on the exam were hired – the three new employees were children of staff members."

Although Ye was shocked at first, she realized that she had to adjust her focus, so she began looking into private enterprises.

"Now I spent every waking moments searching for a job," Ye said. "It is a one in a million chance to find a job related to French and international marketing, which is what I studied, let alone a decent salary."

Ye expressed her jealousy towards one of her classmates in France whose job was arranged by family connections. Ye's classmate is now working in a national bank and doesn't have to worry about losing her position.

"Now almost everything in China ends up being a parental privilege competition," Ye lamented. "Diligence and hard work sometimes feel worthless if you do not have a powerful relative."

### **Nepotism vs. Fairness: which speaks louder?**

Ben Zhang huddled on a sofa and was tapping away on his brand-new iPhone 5S, which Chinese people jokingly refer to as "rich redneck gold." When Zhang looked up, he smiled and said, "just a minute, my girlfriend just texted me."

Zhang is not a Haigui, but rather an "officialing". This is a relatively new pejorative term widely used in China to refer to people who have powerful parents. Zhang's story shows the kind of competition that makes so hard for Haigui to find a job when they get back home.

Now Zhang is a second-year master's student in Nanjing Political College of People's Liberation Army. Zhang said after he graduates, he will have no problem finding a job.

"My father will make all the arrangements." Zhang said.

Zhang's father formerly chaired a provincial branch of the Development and Reform Commission in China. Now that he's been promoted to the national division, his influence in the job market is even greater.

"He is trying to squeeze me into a government or army job," Zhang said. "Because these jobs require master's degrees, he sent me here."

Zhang said his father initially tried to push him into the Ministry of Foreign Affairs; however, Zhang failed the graduate entrance exam of China Foreign Affairs University.

"Before I even took the exam, I knew I wouldn't pass," Zhang said. "I have been lingering on the cut-off line since I was in middle and high school. My father was able to squeeze me into college without taking the entrance exam, and he can send me to graduate school even if I fail its entrance exam."

Zhang recalled his enrollment in Nanjing Political College of People's Liberation Army last year. Although the school year began in September, Zhang said he enrolled one month late because his father needed time to pull some strings.

"It was rainy that day when the driver dropped us off with the luggage," Zhang said. "When I got out of the car and saw Nanjing, I realized that it was not my dream city to work in because it was not as prosperous as Beijing."

Because he knew his future would be well prepared for him by his father in Beijing, Zhang did not search for jobs in Nanjing. As a result, Zhang said, he never really interned or prepared for job hunting.

"If it counted as an internship, last summer I stayed in the office of the Development and Reform Commission, where my father used to work. The current chair is an old acquaintance of my father. This is my backup plan in case I cannot get a job in the Ministry of Foreign Affairs or the army."

When it came to college, Zhang said he muddled through his four years at China Foreign Affairs University.

"I will easily get through my three-year master's program, just as I did with my four-year college degree. My life philosophy is to *carpe diem*."

It is no wonder that Haigui investments in overseas education prove useless in the search for employment. Officialings like Zhang find jobs easily thanks to their parents. Haigui, on the other hand, not only have a harder time finding employment, but the types of opportunities they find aren't nearly as good as those bestowed upon officialings.

According to Hu, on top of the unfair parental privilege competition, another reason why job-hunting for Haigui is so difficult lies in Haigui's high density in metropolitans such as Beijing, Shanghai and Guangzhou, which intensifies the

competition and employment pressure.

### **Sticking to dream vs. yielding to reality**

"I have thought of job-hopping, but it is so risky and painful to re-enter the job market," Erin said. "The devil you know is better than the devil you don't know."

Erin is a Haigui struggling in Beijing, where she has worked since November 2013. Her income before tax is just ¥ 3,000 every month, approximately \$500.

Erin, who is 29, graduated from the City University of New York. She returned to China after completing a master's degree in chemistry.

"When I began applying for jobs, I only targeted chemical enterprises that were Fortune 500 companies," she said. "Soon I gave up since I received no replies, which also meant rejection. I had to adjust my expectations and start anew."

When Erin expanded her search, she found an unpaid position with a private chemical company, where she was guaranteed a full-time job if she performed well during a three-month internship. To keep her performance record high, Erin made sure that she was always the first employee to arrive to work and the last one to leave.

"I clearly remember one night, I fell asleep while going home on the subway," Erin said. "I overslept and missed the stop where I was supposed to get off. When I arrived home, I threw my bag on the ground and fell on the bed, falling asleep with my work clothes still on."

Erin shared a three-bedroom apartment with four roommates. Her share of the rent was ¥ 1700 (about \$283), which was expensive for her since her internship didn't include a salary.

"I have no money in the bank," she said. "Besides housing, I have to pay for transportation, phone bills and food. My parents supported me through the duration my internship by sending me cash each month."

At the time that she started her internship, Erin's main goal was to get a full-time job. Since Erin thought she was guaranteed a job at the end of the term, she was more than willing to take on the unpaid position. But Erin's wish for a full-time

job didn't come true. Four months later, her boss did not offer her a paid position. When Erin asked if she could work full-time for the company, her boss said the firm's budget could not afford another employee at that time and pressured her to wait.

"If you were in my shoes, how would you feel?" Erin asked. "They exploited my labor without payment, and then they cheated me."

Erin left the company without hesitation and entered the job market again. This time she excluded unpaid internships from her search.

"I will never do an unpaid internship ever again," she said. "You know what the cost of living is in Beijing. No income, are they kidding me?"

Erin finally found a job with a state-owned company. While, it is a full-time position with a salary, she is not on the list of officially-budgeted staff.

State-owned companies in China have two budgeting sources for staff incomes – official budgets and enterprise budgets. An official budget – “the iron rice bowl” – provides stable incomes, bonuses and subsidies such as medical coverage, housing and children's education. An enterprise budget, on the other hand, completely depends on company profits.

"It is unlikely that I can have a finger in the pie of the official budget, unless I have a powerful relative," Erin said.

What frustrates Erin even more is that her workload is the same as officially budgeted staff members, but her salary is much less than theirs.

"It is unfair that the workloads for two different positions are identical," she said. "It encourages laziness and dampens enterprise and personal enthusiasm."

Erin complained to her boss about her income. Instead of an explanation, her boss criticized her for not devoting enough time to work.

"Other enterprise-budgeted colleagues sighed when they found out that I talked to the boss. They told me the situation for enterprise-budgeted staff now is far better than it was previously."

In 2011, Erin's colleagues told her that they had to work day and night shifts in order to meet project deadlines. Moreover, they had to finish their regular daily

work as well. Some could no longer bear the unfairness and resigned. To refill the empty positions, the company posted a recruitment notice on its website – soon its email account was inundated with resumes.

Most of the new candidates have master's degrees, even Ph.D. degrees from Ivy League universities. Compared to the new candidates, Erin admits that her education and past experience are inferior.

But, Erin said, the work done by her Ph.D. colleagues in the same office is similar to her own. While the employees with Ph.D. degrees may have more in-depth knowledge, it is inapplicable to what they do now. According to Erin, many of the Ph.Ds. that she worked with said they would not have wasted so many years on their degrees had they known it was unnecessary for their current employment situations.

"When I got my master's degree, some of my classmates applied for Ph.Ds. in order to remain in the United States as college faculty after graduation," Erin said. "Now I realize they were wise. I am a little regretful. If I had remained in the United States and not returned to China, I probably wouldn't have to work so much for such a little salary."

But life has no "ifs." Although many jobs in China are low-level positions that only offer measly salaries, many Haigui are eager to take what they can get.

"There are not enough jobs to accommodate everyone," Erin said. "China has a large population and there is a plethora of Haigui nowadays."

Li Ding, an expert on employment in the Ministry of Human Resources and Social Security, said the growing number of Haigui each year increases employment competition. In addition, Haigui's expectations of higher incomes hinder their opportunities for job promotions.

"Haigui put in an immense amount of time and money in overseas education," Ding said. "So they feel disappointed if their incomes are not as high as they expected."

Employers confirm this status quo. Zhao, the manager of the Beijing Hengju

Chemical Company, explained his view on hiring new staff. He said he prefers domestic graduates to Haigui because Haigui usually ask for higher salaries. Moreover, their domestic peers are not as "arrogant."

"If two candidates are equally qualified, employers will undoubtedly choose the one asking for the lower income," Zhao said.

When Haigui cannot get their preferred income, there is nothing they can do but bite the bullet.

"I may never earn back the expensive education investment," Erin said. "But at least I can finally support my life in Beijing. I can cover the fees for housing, transportation, phone bills and food if I live frugally. I can be content."

While living in a smaller town would mean cheaper living expenses, Erin said her area of expertise is more relevant to jobs in larger cities like Beijing. At this point in time, Erin does not have the resources to learn a new trade and her knowledge is limited to chemistry.

"If I move to a smaller city, I may find a job that has nothing to do with chemistry," she continued. "If I take such a job, all my efforts and money spent in the United States were for naught."

Ding, the employment expert, pointed out how common it is for people's jobs to have nothing to do with what they learned in school due to China's large population as well as the high density of talented candidates in large cities.

"Many Haigui complain about how they cannot apply what they learned in college to their work," Ding said. "It is a waste of talents and resources."

Ding also mentioned that although there is already a surplus of Haigui, the amount of people going abroad continues increasing. They want to get promotions or find better jobs when they return, if they decide not to immigrate. Nevertheless, it may only lead to greater employment pressure in the future. Former journalist Leo Wu's story confirms that trend.

### **Going abroad: a step closer to dream or farther from it?**

"I was so disappointed," Wu said. "While my job may have seemed glamorous to

others, I can assure you it was not that great. I am sure I have made a smart decision.”

–

Wu quit his job – and then he left for the United States.

“My decision was like a bomb, astonishing my classmates and friends,” Wu said. “They were aghast, speechless, saying ‘good luck’ to me after a moment of silence that felt like a century. They probably thought that I was insane.”

For three years, Leo Wu was a reporter working in the Guizhou bureau of the Xinhua News Agency. Now he is a first-year graduate student in the Annenberg School of Communication and Journalism at the University of Southern California. Surprisingly, before he came to California, he already earned a master’s degree from China.

“I do not want to go back to China if I can immigrate,” he said.

Wu said that his plan in the United States is to get a Ph.D. Without a research background, he thinks spending another two years for the second master’s degree, which is also in journalism just like his master’s degree from China, is important. Additionally, his work experience with the Xinhua News Agency strengthens his chances when applying to a prestigious university.

“To be a reporter means you have no weekends, no life and no time to sleep,” Wu said.

Wu also noted that the heavy workload wasn’t the only reason he quit his job.

“As a journalist, you keep racing the clock and have no time to rest for several months,” he said. “Working seven or eight hours a day is common. Sometimes we have to stay twelve hours at a news scene and do a live report. Regardless of the weather, we have to arrive as soon as possible. I have been on business on the eve of the Spring Festival and worked during the holiday for three years.”

According to Wu, the grimmest event from his three-year reporting career still lingers in his mind.

It was around 2 p.m. on a typical weekday afternoon. He was assigned to cover a story in a small village far from the newsroom. The sky became dark when his car



was driving up a twisting mountain road. A bad storm began brewing. The rain came down with a vengeance and he couldn't see the road, even with the help of his windshield wipers. Wu was in the middle of nowhere and had no choice but to stay in the car and wait for the rain to stop. Although the incident was frightful, Wu said that being lost in a storm wasn't the worst part of what happened.

"What really aggrieved me was that my superior thought I loafed on the job and intentionally delayed the field production."

Wu said if his boss had recognized his efforts, he would have stayed with the bureau.

Office politics was another element that dampened Wu's enthusiasm. He said that every day when he arrived at the newsroom, he had to figure out how to ensure that his news packages would air on the show. Just because someone puts together a story doesn't mean the producers will run it.

"Your salary depends on whether your package will air or not," Wu said. "If your story is killed, your efforts were in vain."

As a result of this environment, colleague relations deteriorated and employees took pleasure in and gossiped about others' failures. Some even snitched on their colleagues to stain their reputations.

"What if you had to endure a hopeless life with no chances of promotion or even recognition, and on top of it all you have to deal with annoying office politics? I believe everyone would make the same decision as I did," Wu said. "Do you know why I finally decide to attend the University of Southern California?"

Wu sighed and after a moment of silence, he continued his story.

He recalled his anxiety when April 15, 2013 approached, which was the college admissions decisions deadline. Besides the University of Southern California, Wu was also admitted to American University and Marquette University, both of which offered to pay for half of his tuition.

"To me, it does not matter which college I graduate from as long as I can find a job here in the United States," Wu said. "In case I cannot immigrate and have to

return to China after graduation, the reputation and ranking of the college means a great deal.”

According to Wu, for someone who do not have a powerful relative, a famous university speaks volumes in the Chinese job market, even though graduates from other colleges perform as well as their peers from prestigious schools.

Not surprisingly, Wu accepted the admission offer from the University of Southern California despite the higher tuition compared to the other two universities.

“I may try to apply to an Ivy League university to pursue my Ph.D. degree,” Wu said. “But I know it is not a guarantee that I will get a better job when I return.”

Wu said this is an era in which nepotism is the key to success in China. If Wu’s father were rich or held a high position of power, he believed his story would undoubtedly be different.

“I have no choice but to leave China because I do not have a powerful or rich father,” Wu said. “If I did, I would be a senior reporter or editor, at least.”

Thousands of Haigui suffer severe employment pressure just as Ye and Erin. Haigui’s “officialing” peers discourage them and limit their access to dream jobs. The dense Haigui concentration in large cities also intensifies the already tough job market competition. Erin is not alone among thousands of Haigui burying their heads in endless cubicles in Beijing. The number of Haigui is still growing, and many Chinese students like Wu continue going abroad for higher education opportunities. Until the job market in China improves and stops favoring nepotism, however, it seems the number of Haigui will continue to rise as more and more Chinese students leave the country in search of better future. Or else more Haigui couples will be bathed in the sun, handing out flyers like the one spotted in eastern Beijing in the summer of 2012.

Sources:

Fang Hu, surveyor of Education International Cooperation Group, [50719764@qq.com](mailto:50719764@qq.com)

Ye, Haigui from France, [279193439@qq.com](mailto:279193439@qq.com)

Bai Zhangde, director of CSCSE, 86-10-62677800

Ben Zhang, student at Nanjing Political College PLA, [benz712@hotmail.com](mailto:benz712@hotmail.com)

Erin, Haigui from the United States, [313173255@qq.com](mailto:313173255@qq.com)

Zhao, manager of Beijing Hengju Chemical Co. 86-010-80589588

Li Ding, job hunting expert, [dingli365@vip.sina.com](mailto:dingli365@vip.sina.com)

Leo Wu, Former reporter in Xinhua News Agency, a graduate student at the University of Southern California, [4703662@qq.com](mailto:4703662@qq.com)