Appendix D  Definitions of Selected Variables Used in Multivariate Analyses

Where choices had to be made regarding the thresholds defining the dummy variables (e.g., a percentage cutoff to qualify as "representing private enterprises"), such choices were made trying to come as close as possible to an even split while also trying to maintain consistency across variables.

SELECTED DEPENDENT VARIABLES

- **factor score for "professional difficulty":** 113 lawyers in the regression analysis are missing at least 1 of the 17 items in the factor analysis. I used STATA's `impute` command to impute the missing values on the basis of non-missing information from among the 17 items.

- **factor score for work satisfaction:** based on factor analysis of 12 satisfaction items presented in Table 7.6, excluding "The degree to which my opinions are respected by judicial organs during litigation" and "The prestige of the legal profession" because they are included in the factor score for "professional difficulty." 131 lawyers in the regression analysis are missing at least 1 of the 12 items in the factor analysis. I used STATA's `impute` command to impute the missing values on the basis of non-missing information from among the 12 items. Cronbach's $\alpha=.892$ (standardized); $\alpha$ and factor score are correlated at $r=.995$. 

LEGAL PRACTICE

- years of practice: calculated as 2000 – year first started working as a lawyer + 0.8.
- represent getihu: dummy variable for at least 5 percent of gross receipts generated from self-employed (getihu) individuals.
- represent private enterprises: dummy variable for at least 10 percent of gross receipts generated from private enterprises (without foreign capital)
- state-owned enterprises: dummy variable for at least 10 percent of gross receipts generated from state-owned enterprises in the previous twelve months.
- focus on domestic private-sector clients (presented in Figure 10.2): dummy variable for at least 5 percent of gross receipts generated from self-employed (getihu) individuals and at least 10 percent of gross receipts generated from local/domestic private enterprises (siying or minying qiye/gongsi) in the previous twelve months.
- criminal defense practice: dummy variable for any receipts generated in the previous twelve months from criminal defense work. The comparison group is lawyers without any criminal defense practice in the previous twelve months.
- cases processed in court: dummy variable at least 50 percent of all cases from the previous twelve months either adjudicated or mediated in court.

CASE ASSIGNMENTS AND INCOME

- cases assigned by courts: dummy variable for any new clients (newly represented in the previous twelve months) being assigned by courts. Note that for these case/client-assignment variables there is no obvious comparison group because they are not mutually exclusive.
- advertising, hotlines, direct solicitation: dummy variable for at least 10 percent of new clients (newly represented in the previous twelve months) being introduced
through advertising arranged by either the lawyer or the lawyer's firm, through legal advice telephone hotlines, or through direct solicitation.

- income is gross annual pre-tax "income from legal work"
- income is adjusted for hours worked
- in the regression models 90 lawyers did not report income; I imputed values using the following STATA's *impute* command.

**ORGANIZATION OF LEGAL WORK**

- commission-based income: dummy variable for method of compensation being "purely according to work." Comparison group is all other forms of remuneration (i.e., fixed salary, hourly wage, base salary with commission, and other method).

- autonomy from senior lawyers: values range from 1 to 6 according to polar opposite statements: "In my practice of law I work closely with more senior unit leaders who provide relatively close guidance in the nature of my work" (at the low end of the scale, 1) and "One of the things that I like about my area of practice is that I can do largely whatever I like without having someone looking over my shoulder and directing my work" (at the high end of the scale, 6).

- partnership firm: dummy variable. All other ownership forms besides partnerships and state-owned firms were excluded from analysis (i.e., cooperative, shareholding, and individually owned). Therefore the comparison group for this variable is lawyers in state-owned firms.

- firm perks and benefits: ranging from 0 to 6, this variable is the sum total of six items that may or may not be allocated to the lawyer by her firm: (1) retirement pension, (2) medical insurance, (3) unemployment insurance, (4) life insurance, (5) housing, and (6) other item. Due to the skewed nature of the distribution, this variable was logged.
• firm professional and political activities: ranging from 0 to 5, this variable is the sum total of give items that may or may not be organized by the firm: (1) legal study, (2) family planning, (3) political thought, (4) CCP activities, and (5) other item. Due to the skewed nature of the distribution, this variable was logged.

CITY CHARACTERISTICS

• dependence on local/domestic private-sector clients: city-level mean proportion of lawyers who generated at least 5 percent of gross receipts self-employed (getihu) individuals and at least 10 percent of gross receipts from local/domestic private enterprises in the previous twelve months. This variable ranges from 0 (no lawyers in the city sample relied on local/domestic private-sector clients according to the criteria specified here) to 1 (all lawyers in the city sample relied on local/domestic private-sector clients).

• The tertiary sector is defined by the National Bureau of Statistics of China as anything outside than the primary (agriculture, mining, and so on) and secondary (industrial, public utility, and so on) sectors. The tertiary sector is divided into four main categories: (1) circulation (transportation, post and telecommunications, food and beverage, storage, and so on); (2) services supporting manufacturing (finance, insurance, geological surveying, real estate development, consulting, and so on); (3) services supporting science and culture (education, broadcasting, research, sanitation, sports, social services, and so on); and (4) agencies in service of public needs (state organs, associations, military and police, and so on).

• The greater metropolitan population (prefecture-level, or di qu) was used instead of the municipal population (shi qu) mainly because this was the only figure available for all cities including two county-level cities, Nanhai and Changji. The China Urban Statistical Yearbook (SSB 1999) contains data on prefecture-level cities only. Among
the 22 cities with both population figures available, municipal and metropolitan populations were correlated at \( r = .891 \).