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#### Analysis on Peasants' Diet Condition and Food Safety Awareness in Northern Jiangsu

—From the Perspective of Economics

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**Abstract** Taking three counties in northern Jiangsu (Suining, Ganyu and Sihong) as the respondents, the economic principles of food safety issues of rural areas in northern Jiangsu are described from three aspects which are information asymmetry, food supply and food safety issue and food consumption and food safety issue. From the two aspects-adverse selection of consumers and opportunistic behavior of producers, the paper introduces the influence of food safety issues of rural areas in northern Jiangsu. Based on the above analysis, economic theories for solving food safety issues of rural areas in northern Jiangsu are put forward: First, improve consumers' knowledge of food safety; Second, normalize the behavior of main bodies of production and management; Third, improve the current situation of information asymmetry of food safety; Fourth, accelerate economic construction of rural areas in northern Jiangsu, practically increase peasant income and living standard. **Key words** Northern Jiangsu, Rural areas, Food safety, Economics, China

At present, food safety issues emerge in endless and get more and more attention from people. The Party Central Committee and the State Council promote food safety to strategic level, but the situation of food safety is still severe. Especially, in rural areas, the quality of managers is low, the examination of purchased goods is not strict, self-protection awareness of rural consumers is bad, so the situation of food safety is more severe. Food safety issues are not only related to biology and health quarantine but also economic, management, sociology, psychology and political science<sup>[1]</sup>. Northern Jiangsu is underdeveloped area of Jiangsu Province. The rural area of Northern Jiangsu takes 90% land and 88% population of Northern Jiangsu. Now it is still major in agricultural production. GDP per capita only takes 54% of the average value of the whole Jiangsu Province<sup>[2-3]</sup>. On the basis of survey of Suining County of Xuzhou City, Sihong County of Suqian City, Ganyu County of Lianyungang City, the paper analyzes diet conditions and food safety awareness of rural areas of Northern Jiangsu in economics.

## 1 Economic principles of food safety issues of rural areas in Northern Jiangsu

**1.1 The theory of information asymmetry** There are information asymmetry in different degrees in every links of the whole food supply process<sup>[4]</sup>. Information asymmetry can cause opportunistic behavior of producers and managers and adverse selection of consumers, and finally result in safety issues of food quality. The theory of information asymmetry plays an important role in study of food safety issues. Now, there are too many kinds of food, and the differentiation of quality is hard

to distinguish, so different brands are not enough to effectively deliver information of food safety; in addition, in the survey of ways of acquiring knowledge of safe consumption of food, 55.6% of the people choose broadcast and television, the second place is newspapers and magazines, taking 23.2%. It reflects that traditional media, such as broadcast, television, newspapers and magazines and so on, still take the leading role in receiving information in rural areas. The use ratio of new media is still comparatively low, only 5.6% of the people use internet to acquire knowledge of safe consumption of food, under the situation, the information asymmetry is more serious. It is clear that food safety information in rural areas of Northern Jiangsu is comparatively inadequate, information network of rural food safety is still not perfect, information asymmetry problems of food safety is very severe.

1.2 Food supply and food safety issues in rural areas of Northern Jiangsu We suppose that purpose of production and operation is seeking profit maximization according to economic rational behavior in economics<sup>[5]</sup>. In food market, the profit of safe and high-quality food is far below that of common or even inferior food. It causes that manufacturers don't want to produce safe and high-quality food. Then, it creates condition for operators to go ahead unsafe production. In field survey, we find that there are mainly two kinds of supermarkets in rural areas, one is supermarket chain, the other is self-service stores in large scale. Commodity of the former is qualified, the quality generally has guarantees; however the latter is unevenness. We know from the interview that, in rural areas of Northern Jiangsu, many adult labor forces work outside and leave children to old people. Most of the stay-at-home children get harm from unqualified food, their diet is very innutritive, physical and intellect development get big negative influences. When they were asked if ever came across food safety issues, 13.6% of them said they have often come across; 75.6% of

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them said have come across; 10.8% of them said they haven't come across. It is not determined that if the educational level of villagers is low, so their cognition of food safety is not enough. In the survey, we find that many of food brands are simulate. For example, the famous "Yili", "Mengniu", "Master Kong" are changed into "Yile", "Menniu", "Master Kung", and so on. At the same time of satisfying profit of producers and meeting demands of people's daily life, probability of food safety issues is increasing correspondingly.

1.3 Food consumption and food safety issues in rural areas of Northern Jiangsu It states clearly from the survey that Engel coefficients of rural areas of Northern Jiangsu mainly distribute in 40% to 50%, take 49.4% in all. It shows that expenditures in food take a big proportion of total amount of consumption expenditures. The living standard has improved a little, consumption structure of food also continues to be optimized along with the improvement of income level and nutrition consciousness. 56.4% show that they most often buy food in supermarkets, then in market places. In the consumption concept of peasants, cheapness is the first issue under consideration, it provide opportunities for the food in low price and poor quality. When purchasing food, 36.2% of the residents mainly consider price: 30, 4% consider safety and nutrition: 17, 5% consider brands: 15.9% consider nothing. It shows that some villagers are lack of consumption cognition, their consumption awareness is backward, and arbitrariness is relatively big. When meeting food quality issues, 47.3% of the people own to fall on evils because of no bills; Only 16.3% of the people will complain in related departments, the right protection awareness is not very strong. 28% of the people choose to argue with merchants, but only 8.4% of them got refund from merchants, the success rate is not high. When they doubt the quality of purchased food, 44.2% of the people want to test it, but they don't know about going to which department; 20.6% of the people want to complain, but they feel it was too difficult: 10.9% of the people want to return of goods to merchants. It shows that when meeting with suspected food safety issues, most villagers are very blank, the complaint rate is very low in rural areas. It reflects that self-protection awareness of rural consumers is not very strong. And this indulges good market of poor-quality food.

### 2 Influences of food safety issues in rural areas of Northern Jiangsu

2.1 "Adverse selection" of consumers Consumers of rural areas of Northern Jiangsu are restricted by educational level and consumption custom. So their cognition of quality safety degree of purchased food is incomplete. There are in the part of vulnerable groups in consumption process. In addition, to a single consumer, the cost of acquiring quality information of food is very expensive, so, under the condition of being unable to confirm food quality in the market, they are only willing to pay in average quality. The intrinsically safe food cannot get deserved market assessment. Thus, the market signal is distorted. In the survey of chief consideration in purchasing food,

36.2% of the residents mainly consider price; 30.4% consider safety and nutrition; 17.5% consider brands; 15.9% consider nothing. It shows that some villagers are lack of consumption cognition. Under the condition of market economy, consumers are the final decisive factor, and the change of consumer's preference will lead to demand curve left-right movement, that is, willingness to pay of the same consumption quantity [6]. When consumers find reduction of food quality, the price they are willing to pay is dropping with it, and occur vicious circle in this way. In the condition of balance, low-quality food is full of the whole market.

2.2 Opportunistic behavior of producers From the survey, we find that, on the aspect of color and luster of food, there are still some people think the more bright-colored the better. Especially, in the selection of children's food, some parents still believe that the bright-colored will attract their children, instead of consideration of whether contained low-quality additive. There are still some villagers don't know that potatoes can't eat after germination. And residue of ractopamine does big harm to human body, but some villagers cannot distinguish it or even never heard of it. So, the shortcoming of common sense of food safety of villagers directly leads to confusion of low-quality and high-quality, the low-quality food passes away the sham as the genuine, the villagers can't distinguish them effectively. In this way, the activity of producers in improving food quality safety will be reduced. On the condition of being unable to confirm commodity quality or very high cost of acquiring quality information, the seller will do some "immoral behaviors" which is harmful to buyers. And rural consumers often choose low-price commodities, it makes cost cannot get acquirement from sale. In order to improve price competitiveness and not to influence production and operation cost of food, possibility of opportunistic behaviors of producers is increased. They have two possible selections: one is lowering cost through reducing food quality: the other is strengthening marketing work to realize product differentiation<sup>[7]</sup>. The consequent result is food safety issues are more severe.

### 3 Discussion in economics about solving food quality safety issues

- **3.1** Improving consumers' knowledge of food safety It needs to strongly carry out more special programs to address food quality and safety problems. Go ahead education and popularization of knowledge of food safety, such as hold lecture of food safety to improve cultural quality and common sense of food safety of villagers; encourage constructions of demonstration counties or cities of food safety, rest assured township communities of food, try hard to build a relieved food environment.
- **3.2** Normalizing behaviors of main body of production and management We should strictly examine operators when they are going into food market, and strengthen spot check mechanism of rural food quality at regular intervals. To the commodities have severe issues, ask them for dropping out of market. Further push forward construction of "three nets" of rural food safety, improve quality of supervision net and re-

sponsibility net, fully express its effect. We should restrict opportunistic behaviors of suppliers through formulating standard specification of production and marketing order management. Meanwhile, provide low-price food quality safety information from strict certification system, practically embody responsibility of government in public management<sup>[8]</sup> to maintain marketing fairness.

- **3.3** Improving the situation of information asymmetry of food safety Information asymmetry of food safety and inadequate supervision of government are also main reasons of food safety issues of rural areas of Northern Jiangsu. So, it is necessary to enhance cultural quality and food safety awareness of villagers, deepen information open, improve the situation of food safety information, and increase supervision and support of government.
- 3.4 Accelerating economic construction of rural areas of Northern Jiangsu, improving income and living standard of peasants The economic position of villagers makes them as vulnerable groups in the process of consumption. Low-end markets focus on rural areas, consumption goods of peasants are generally low-end. It not only makes rural areas be the worst-hit areas of forged and fake commodity, but also shows that the total economic level of peasants is low. However, if rural economy is growing and the peasant income is improving, their purchasing psychology with "price factor" as the core will be changed to a large extent. Pay more attention to quality of commodities and degree of satisfying their own needs. Therefore, it needs to increase financial input and policy support of Northern Jiangsu, and promote peasant income by all manner of means. It is also conducive to increasing comprehensive quality of peasants changing consumption concept of peasants

in unconsciously influences. In the long run, it is the foundation of solving food safety issues in Northern Jiangsu.

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and the improvement of villagers' incomes, the advancement of living conditions as well as the development of the collective economy of the village are the job of the committee. There is no way that rural cadres can be in the position only for their own profit.

3.2 Governments at all levels should energetically support the establishment and management of rural coopera-The establishment and operation of cooperatives of non-professional agricultural production villages can not be done without governments of the city, the county and the town. They must be based on these three levels. Governments at all levels should guide and support the establishment and operation of the cooperative with both labor power and financial resources. For example, governments can regularly send technical personnel to go to the countryside, provide various kinds of information and held regular trainings for cooperative members. Besides, they can also allocate certain funds in advance each year for the maintaining and development of the cooperative and decrease agricultural loan interest. In conclusion, government at all levels should pay great attention to the operation and development of cooperatives of non-professional agricultural production villages and make policies which are beneficial to the consolidation and advancement of the cooperative. Governments at all levels should fully understand that the construction of an all round well-off society in Fenghua City can only be accomplished with the increasing of peasants' incomes, the healthy and ordered development of agriculture as well as the strengthening of the overall power of the countryside. Hence, the achievement of building a harmonious society in Fenghua City.

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