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# Solving Ways of Supply and Demand Contradiction of Rural Social Security during Transference of Rural Land Contract and Operation Rights

—A Case of Hebei Province, China

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**Abstract** Taking land circulation of Hebei Province, China as an example, circulation status of rural land contract and operation rights of Hebei Province is introduced. Then, sampling survey method is used to investigate the supply and demand situation of social security of 350 peasant households in Hebei Province who have sold their land rights. And supply and demand situation of social security before and after rural land transfer in Hebei Province is also analyzed. Supply of rural social security of Hebei Province is discussed from the aspects of social security supplies before and after land transfer (status of old-age security, status of rural medical security, status of employment security and education training); demand of rural social security of Hebei Province is discussed from the aspects of social security demands before and after land transfer. Finally, solving ways of supply and demand contradiction of rural social security during transference of rural land contract and operation rights are put forward, such as intensifying the financial aids for cooperative medical system, promoting the corresponding social security policy of land circulation, establishing the management, executive and supervision agencies for rural social security, and acquiring a consciousness of modern social security. It is suggested that government should set up a unified social security system covering the whole Hebei Province in order to optimize and improve the social security system for peasants.

**Key words** Rural land contract and operation rights; Land circulation; Social security; China

Circulation of land contract management right is the foundation of the development of modern agriculture, an important measure to further solve the "Three Agricultural Problems" and to comprehensively construct a well-off society, as well as the objective requirement of the adjustment of agricultural structure, the implementation of moderate scale management, and the realization of agricultural industrialization. Achievement of these goals is inseparable from large scale land and intensive management. Land circulation is an important means to realize the large-scale land management. With the circulation of land contract management right, original security function of land gradually disappears. But the rural social security system is not yet perfect. Only by solving the contradiction between social security and peasants' supply, can we ensure the smooth progress of land circulation. Hebei is a major agricultural province in China, agricultural population of which accounts for 78.7% of the total population. Therefore, taking Hebei Province as an example, we discuss the contradiction between supply and demand of social security in circulation of rural land contract management right, in order to protect the vital interests of peasants, to safeguard social stability, and to offer references for the circulation of rural land contract management right.

## 1 Present situation of the circulation of rural land contract management right

**1.1 Low level of general circulation** Table 1 indicates that until the end of 2008, Hebei Province has 97.7 thousand hectares cultivated land for contract right circulation, accounting for 1.9% of the household contracting management cultivated land and involving a total of 8 203 890 thousand peasant households, which occupy only 6.0% of the total peasant households. Among them, peasant households having in-flow cultivated land account for 3.2%, and those having out-flow cultivated land account for 2.8%. Zhangjiakou, Chengde, Qinhuangdao and Tangshan are the top four areas having highest rates of land circulation in Hubei Province. Peasant households renting or leasing out cultivated land in most areas (Hengshui City, Baoding City, Cangzhou City, Shijiazhuang City, Xingtai City, Handan City) account for a lower proportion than the average level of Hebei Province (6.0%). Among them, Handan City has the lowest proportion, which is only 2.5%<sup>[1]</sup>. Therefore, the overall low level of land circulation is the most notable feature of the circulation of rural land contract management right in Hubei Province at present.

**1.2 Single way of circulation** Table 2 reports that among the total circulation area of cultivated land in Hebei Province (97.7 thousand hectares), subcontract (54.35%) and rent (19.75%) are the main circulation ways, indicating that the land contract management right has relatively single way of circulation.

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**Table 1 Proportion and number of households participating in rural land circulation in Hebei Province in the year 2008**

| Region            | Peasants having leased out or contracted out cultivated land |               | Peasants having rented, contracted, or transferred the cultivated land |               | Peasants having rented or leased out cultivated land |               |
|-------------------|--|---------------|--|---------------|--|---------------|
|                   | Hoseholds  | Proportion//% | Hoseholds  | Proportion//% | Hoseholds  | Proportion//% |
| Whole province    | 386 231  | 2.8           | 440 249  | 3.2           | 820 389  | 6.0           |
| Shijiazhuang City | 30 184   | 1.8           | 33 342   | 2.0           | 628 86   | 3.8           |
| Tangshan City     | 50 054   | 3.3           | 80 110   | 5.3           | 129 274  | 8.6           |
| Qinhuangdao City  | 29 660   | 5.1           | 31 964   | 5.5           | 61 065   | 10.4          |
| Handan City       | 25 878   | 1.6           | 15 269   | 0.9           | 41 040   | 2.5           |
| Xingtai City      | 15 611   | 1.1           | 19 638   | 1.4           | 35 158   | 2.6           |
| Baoding City      | 57 755   | 2.6           | 44 012   | 2.0           | 101 404  | 4.6           |
| Zhangjiakou City  | 46 238   | 5.2           | 100 034  | 11.3          | 145 178  | 16.4          |
| Chengde City      | 29 036   | 3.9           | 49 044   | 6.6           | 76 987   | 10.4          |
| Cangzhou City     | 38 025   | 2.7           | 23 711   | 1.7           | 60 991   | 4.3           |
| Langfang City     | 32 202   | 4.2           | 20 800   | 2.7           | 52 693   | 6.8           |
| Hengshui City     | 31 588   | 3.4           | 22 325   | 2.4           | 53 713   | 5.7           |

Note: Data are from *The Second National Agricultural Census Data Synthesis Summary of Hebei Province*.

**Table 2 Mode and proportion of land circulation in Hebei Province in the year 2008**

| Circulation mode | Area// $\times 10^4$ hm <sup>2</sup> | Percentage//% |
|------------------|--------------------------------------|---------------|
| Subcontract      | 5.31                                 | 54.35         |
| Transfer         | 0.97                                 | 9.93          |
| Swap             | 0.93                                 | 9.52          |
| Renting          | 1.93                                 | 19.75         |
| Buying a share   | 0.14                                 | 1.43          |
| Other ways       | 0.49                                 | 5.02          |
| Total            | 9.77                                 | 100.00        |

**1.3 Common phenomenon of "sparing circulation"** Since non-agricultural income is unstable, "sparing circulation" of contracted land is common in Hebei Province. Even the households with relatively abundant non-agricultural income carry out extensive cultivation of land rather than transfer land. At present, there is a lack of rural social security system, so land still bears the life-support function for peasants. And non-agricultural employment can not replace the security function of land. Therefore, phenomenon of "sparing circulation" comes into existence. "Sparing circulation" has led to inefficient use of land resources, and has hindered the large-scale and intensive development of modern agriculture.

## 2 Supply and demand analysis of rural social security before and after land circulation in Hebei Province

"The elderly enjoying their rights to medical and old-age care" is the basic requirement of peasants in the rural social security system. Construction of the minimum living security, pension insurance and medical insurance are the keys to short-term social security system in rural areas. Investigation on a total of 350 peasant households participating in land circulation in Hebei Province is carried out. And comparative analysis on the changes of old-age insurance and medical insurance before and after land transfer is also conducted.

### 2.1 Changes of social security supply before and after land circulation

#### 2.1.1 Social security supply of peasant households before land circulation.

(1) Status of old-age insurance. In the year 1978, household contract responsibility system is implemented among peasant households. And land has become the living security of peasants. In the year 1992, the Ministry of Civil Affairs has promoted a nationwide social security system in rural areas. But due to various factors, rural social endowment insurance in Hebei Province and most areas of China has declined in number along with many difficulties in fund operation. What's more, rural social endowment insurance in some rural areas even comes to a standstill.

(2) Status of other social security. After the implementation of household contract responsibility system in rural areas, rural surplus labor force has enlarged greatly with the increase of population and the development of rural productivity. More and more peasants are at the underemployed status. Meanwhile, security function of land on rural population is declining gradually. In the year 1991, the Ministry of Civil Affairs takes the initiative to implement the reform of rural social security in Yantai, Shandong Province, China. Based on the success of this pilot work, the reform began to spread throughout the country in the year 1992. Later, the Sixth Plenary Session of the Sixteenth Central Committee of the CPC clearly put forward "adapting to urbanization, population aging and employment diversification, gradually establishing a social security system covering urban and rural residents and connecting social insurance, social assistance, social welfare and charitable causes". Establishing rural social old-age insurance system, developing the new type of rural cooperative medical care system, and implementing rural minimum living security system have gradually become the key of rural social security system. But during the practical implementation process, there are still some peasant households having not participate in social security in Hebei Province due to funding, publicity and other issues.

#### 2.1.2 Social security supply of peasant households after land circulation.

(1) Status of old-age insurance. In the year 2005, old-age insurance of land-lost peasants in rural Hebei Province has taken more effective measures based on the previous work. Firstly, define the condition of the insured person. This condition is primarily aimed at the peasants whose lands are requisitioned; but it has not specifically referred to the peasants trans-

ferring out the land. Secondly, define the principle, funding amount and proportion of pension. Pension is collected from individual peasant, collectivity and government. After the reaching a certain age (60 for male and 55 for female), the ensured person should receive a higher pension than the minimum living standard of local urban residents. And the financing ratio is 30% by individual peasant, 40% by collectivity and 30% by government. Thirdly, establish risk fund reserve. Government should withdrawal a certain proportion of the risk fund reserves from financial revenue according to the local premium amount of old-age insurance, in order to prepare for the rainy day. In the year 2009, Hebei provincial government proposed that the land-lost peasants should be brought into rural old-age insurance system, so that peasants may transfer land without the worries behind.

(2) Health insurance status of peasant households. After the start of new cooperative medical scheme at August, 2003, there are 139 counties (cities, districts) implementing this new cooperative in Hebei Province in the year 2007. And peasants participating in the new cooperative are 41 760 thousand people. In the year 2007, fund compositions of pilot counties in Hebei Province are the same. Central government subsidizes 20 yuan each year for each person; peasants participating in the new cooperative and the local finance at province (city, county) level should offer 10 yuan and 20 yuan each year for each person, respectively. Thus, the sum of the funds in all is 50 yuan per capita each year. Later, in the year 2008, government subsidy reaches 80 yuan and individual peasant pay 10 or 20 yuan<sup>[2]</sup>. However, there still has no breakthrough in specific compensation standard, drug reimbursement range, medical examination project, and monopolization of listed medical institutions.

(3) Peasants' status of employment security and education training. The 2006 *Guiding Opinions on Employment Training and Social Security System for Land-lost Peasants by Hubei People's Government* has provided employment training and

social security work for land-lost peasants. In the year 2009, Hebei Provincial Government has proposed that the migrant workers with unemployment insurance should enjoy the same unemployment insurance policy as the urban workers. The unemployed person without contracted land and the returned migrant workers should have the priority to enjoy education and training planning. Through the Sunshine Project Training, the Rural Sci-tech Pioneering Starfire Training and the Rain and Dew Plan Training, secondary vocational education in rural areas should be developed energetically, as well as the distance public education training for peasants in various forms<sup>[3]</sup>.

Above analysis shows that supply of old age, health care, employment, education and training, and other social security project has changed after land circulation. But there is still a big gap with the urgent needs of peasants.

## 2.2 Changes of social security demand of peasant households before and after land circulation

**2.2.1** Social security demand of peasant households before land circulation. Investigation on the 350 households transferring cultivated land in Hebei Province shows that peasants have a strong will to buy insurance. Proportions of peasants buying commercial pension insurance and rural social old-age insurance are 60.57% and 74.29%, respectively; and proportion of peasants participating in new rural cooperative medical insurance is the highest, reaching 88.57%. But the actual insured proportions of peasants buying commercial pension insurance and rural social old-age insurance are 11.71% and 17.71%, respectively, which are relatively low, and that of peasants buying new rural cooperative medical insurance is 74.29%, which is relatively high (Table 3). At the same time, among the peasants having the willing to buy insurance, a total of 55.00% peasant households do not understand the concrete conditions of insurance; 26.67% peasant households have no funds to buy the insurance; and 18.33% think they are too young to buy the insurance.

**Table 3 Comparison between participating willingness and practical situation of peasant households before and after land circulation**

| Insured item                                 | Before land circulation   |                 |   |                 | After land circulation  |                 |   |                 |
|--|---|-----------------|---|-----------------|---|-----------------|---|-----------------|
|  | Peasant households having the willing to participate in the insurance |                 | Peasant households participating in the insurance |                 | Peasant households having the willing to participate in the insurance |                 | Peasant households participating in the insurance |                 |
|  | Quantity  | Percentage // % | Quantity  | Percentage // % | Quantity  | Percentage // % | Quantity  | Percentage // % |
| Buying personal commercial old-age insurance | 212   | 60.57           | 41  | 11.71           | 266   | 76.00           | 49  | 14.00           |
| Rural social old-age insurance               | 260   | 74.29           | 62  | 17.71           | 293   | 83.71           | 71  | 20.29           |
| New rural cooperative medical insurance      | 310   | 88.57           | 260   | 74.29           | 350   | 100.00          | 303   | 86.57           |
| No willing to participate                    | 40  | 11.43           | —   | —               | 0   | 0               | —   | —               |

**2.2.2** Social security demand of peasant households after land circulation. After land circulation, peasants have lost the security function of land when losing their land. They have to buy the old-age insurance, medical insurance and other social security programs in order to resolve their actual difficulties. Therefore, peasant's demand for social security has increased after land circulation. And the peasant's willingness to partici-

pate in the commercial pension insurance has increased by 15.43%, those to participate in the rural social old-age insurance and new rural cooperative medical insurance have enhanced by 9.42% and 11.43%, respectively. And 100% peasants have the willing to buy insurance; but the number of actual insured peasants is relatively low. Peasants buying the commercial pension insurance account for 14.00%, increased

by 2.29% after circulation. Peasants purchasing rural social old-age insurance account for 20.29%, increased by 2.58%. People participating in new rural cooperative medical insurance increased by 12.28% (Table 3). And most of the insured are teachers, village cadres, peasants in rich regions, and peasants going out for business.

Above analysis shows that after land circulation, the peasant has an urgent need for health care, employment, education, training, old-age pension and other social security programs. But in general, social security status of peasants transferring land is still not optimistic. The number of actual insured person is far lower than the peasants who are willing to buy the insurance, which is almost the same compared with the situation before circulation.

### 3 Countermeasures and suggestions

**3.1 Increasing cooperative medical subsidizes** Peasants without land and job have to buy endowment and medical care insurance, which seems to be unreasonable even by withholding payment from land circulation cost. Therefore, according to the capacities of social responsibility and resource security, central government and provincial government should take the primary responsibility in promoting the new-type rural cooperative medical care, rather than delegate the responsibility into local government. Especially under the increasing rural-urban income gap, unfair distribution of urban and rural medical resources, high ratio of self-paid expenses and continuously enhanced state finance, central government deserves to bear the social responsibility of public service. What's more, government's investment in peasant's health should be gradually enlarged with the development of economy and the increase of finance.

**3.2 Corresponding social security policy about land circulation** So far, there has been no corresponding social security policy of land circulation. And the needs of insured peasant households who have transferred their lands have not been met. Peasant households can not solve the survival problems caused by land circulation, which further impedes the conduct of land transfer. Therefore, social security policy must cover the following aspects. Firstly, we should expand the scope of insured object, establish a security system with comprehensive coverage, and make sure that peasants above the age of 16 can buy insurance. Secondly, security should not only solve the basic livelihood of the peasants, but also should include the pension, medical insurance and re-employment subsidy. Thirdly, when calculating the demand quantity and security treatment, we should consider the time value of security level and the life index of peasants. At the same time, policy making of social security should consider the interests of peasants, as well as the medical and health conditions, agricultural population, medical needs of peasants, types of common diseases, incidence rate of a disease, supply and demand changes of medical service, feasibility of technology making and policy plan with protection effect, in order to expand the benefited range of peasants<sup>[2]</sup>.

**3.3 Management, executive and supervision agencies of rural social security** Implementation and operation of policy is inseparable from the management and supervision of relevant

institutions. Well operation of rural social security system depends greatly on the administration of a relatively independent and mutually constrained social security administrative agency. This institutional framework mainly includes several agencies. Firstly, administrative management agency makes relevant laws and regulations, major policies, and social security development planning. Secondly, executive agency is responsible for the management of daily business, the implementation of regulations, policies and systems of rural social security, and the collection, payment and operation of funds and so on. Thirdly, supervision agency is to supervise the implementation of social security regulations, policies and systems, as well as the process of funds revenue and expenditure, investment and management. It also make the monitoring result public in society regularly<sup>[4]</sup>.

**3.4 Establishing peasants' awareness of modern social security** Investigation shows that among the peasant households who are willing to the insurance, 55.00% of them do not know the concrete situation; and 18.33% think they are too young to buy the insurance, indicating that the publicity so far has been inadequate and peasants have not established the awareness of modern social security. The human-oriented comprehensive publicity can truly extend into each part of society, so that the traditional concept of peasants can be changed fundamentally. At the same time, we should create new propaganda means, think with exchange of position, and take the demands of insured person as the starting point of work, in order to get twofold results with half the effort.

## 4 Conclusion

With the further development of agricultural scale, more and more peasants participate in land circulation. And contradiction between land circulation and social security has become increasingly prominent. Thus, Hebei Provincial Government should take optimization of peasants' social security system as the objective and the internal factors affecting social security as the starting point, make corresponding policies according to the characteristics of peasant households who have transferred land, fully exert the function of monitoring, advocacy and other external factors to resolve contradictions, and to establish a unified social security system covering all the peasants in Hebei Province.

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is at the preliminary state of civilization. Among the four criteria, there are urgent needs to improve ecological and environmental protection and social progress.

## 5 Conclusion

Index system of ecological civilization put forward by Jiang Xiaoping is optimized. And subjective factors, such as environmental protection awareness are, fully considered. Through a series of method improvement, weight of ecological civilization factor can be determined scientifically. Ecological civilization degree and its four components are quantified and classified. Thus, the research result is intuitive and scientific.

In the year 2007, ecological civilization degree of Shandong Province is at the state of preliminary civilization. Main factors restricting the development of ecological civilization are the social progress and the ecological and environmental protection measures. Shandong Province should further reduce the fertilizer and pesticide use, control the growth rate of population and intensify education strength in future.

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## 省域生态文明评价体系的构建——以山东省为例

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**摘要** 从生态文明的内涵出发,阐述了生态文明指标体系的构建原则,即整体性原则、适用性和可行性原则、量化原则、目的性原则。在此基础上,从生态环境保护、经济发展、社会进步、生态环保意识4个方面选择了23项单项因子,构建了生态文明指标体系。运用层次分析法确定了单项因子的权重,并建立了综合评价模型。以山东省为例,利用优化的指标体系和综合评价模型分析了山东省的生态文明建设水平。结果表明,山东省生态环境保护程度、经济发展、社会进步、生态环保意识4方面的得分值分别为47.24、71.05、37.57、77.57分,生态文明的综合得分值为61.35分,说明山东省生态文明程度处于初级文明状态,制约生态文明发展程度的主要因素为生态环境保护措施和社会进步等,现阶段,应进一步减少化肥和农药的施用量、控制人口增长率、加大教育投入力度。

**关键词** 生态文明;指标体系;生态环保意识;山东省

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## 农村土地承包经营权流转的农村社会保障供求矛盾解决途径——以河北省为例

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**摘要** 首先,以河北省土地流转为例,介绍了河北省农村土地承包经营权流转现状。其次,采用抽样调查法,对河北省350户参与土地转出的农户的社会保障供求状况进行调研,分析了河北省土地流转前后农村社会保障供求状况。其中,从土地转出前农户的社会保障供给状况、土地转出后农户的社会保障供给状况(农户养老保障状况、农户医疗保障状况、农户就业保障和教育培训状况)2个方面探讨了河北省土地流转前后农村社会保障供给状况;从土地转出后农户的社会保障需求状况、土地转出前农户的社会保障需求状况2个方面分析了河北省土地流转前后农户的社会保障需求变化状况。最后,提出了通过加大针对合作医疗资助力度、出台针对土地流转的相应社会保障政策、建立农村社会保障的管理、执行、监督机构,以及树立农民现代社会保障意识的措施来解决土地流转过程中农村社会保障供求矛盾,并建议政府应以优化和完善转出土地农民的社会保障制度为目的,建立一个统一的覆盖全省农民的社会保障体系。

**关键词** 农村土地承包经营权;土地流转;土地转出;社会保障