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# The Analysis of the Basic features of Peasant Households with Different Income levels

– A Case of 259 Peasant Households in Three Villages of Hebei Province, China

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**Abstract** According to the urban and rural income levels and the national poverty line, peasant households are classified into poor households, middle-income households and wealthy households. Based on the investigation data of 259 peasant households in three villages of Hebei Province, the features of family structure, economy, ideology and communication of peasant households with different income levels in current status are analyzed. The result shows that there are great differences in family structure, ideology, economy and communication of peasant households with different income levels. The low-income households are featured by unreasonable family structure, heavy burden, conservative behavior and blocking information. While the middle and high income households are good at communicating and willing to take risk and armed with high skills. Based on this, relevant suggestions are put forward to promote the development of peasant households, such as optimizing family structure, cultivating the capacity of the core members of the family, guiding households to choose a suitable development path, encouraging farmers to work out, ensuring the legitimate rights and interests of migrant workers, flourishing rural culture, and setting up good platform for the communication of households.

**Key words** Peasant households, Income, Basic features, China

Peasant household is the main baby of rural economic development as well as the basic unit of producing and living, social communication, political relations and cultural transmission of peasants. Therefore, peasant household is the key for knowing the issues of agriculture, countryside and peasantry<sup>[1]</sup>. At present, there are about 240 million peasant households in China, with the farmland acreage of 0.47 hm<sup>2</sup> per household. The farmland is dispersedly divided into small pieces with small scale, decentralized operation and disorganization. With the increasingly opened market-oriented economy, the function of market mechanism will indefinitely lead to the polarization of peasant households. So the deep analysis of the common features of different peasant households is of political significance in increasing the income of peasant households.

## 1 Research method and data collection

The data was collected by a questionnaire survey. The questionnaires include 41 questions of five issues, which cover the five aspects of family structure, behavior awareness, economic income, living conditions and social communication. The sample point is chosen at Lincheng County, Hebei Province. The questionnaires were issued to the three villages whose developmental environment are good, mediocre and bad according to the research needs. The basic situations of the three villages are as follows. Village A is close to a big city with convenient transportation and a population of 2010 in 460 households. There are three enterprises and some organizations such as the seniors' association and the production association. Peasants in village A are open-minded and have strong sense

of market. Therefore, village A belongs to the villages with good developmental environment. Village B with a population of over 4 000, is near the Beijing-Guangzhou railway line. The transportation is convenient and the farmland acreage per household is small, most peasants undertake other businesses. The village committee is relatively well organized. Gambling exists in the village and the villagers with decentralized awareness are hard to cooperate. So village B belongs to the villages with mediocre developmental environment. Village C with a population of over 1 000, has relatively poor transportation. Feudal superstition, gambling and theft often occur in this village. In village C the organizations are inadequate and loose, the polarization between rich and poor is serious and the developmental environment is bad. For this investigation, 300 copies of questionnaires were issued and 259 copies of valid questionnaires were got. Besides the sorting and statistical work on the investigation data, the author consulted the four standards of income levels in 2007, which cover the income level of rural residents per capital (4 140 yuan), the disposable income level of township residents per capital (13 786 yuan), the net income level of the national residents (6 914 yuan) and the redefined new standard of poverty line by the state in 2008, as well as the method of defining the peasant households applied by *The Yearbook of China Rural Statistical* in 2007, then the types of peasant households were defined as follows. The absolute poor household or low-income household refers to the peasant household live below the national poverty line; the mid-low income household with the average family income per capital between 1 300 and 3 600 yuan, means the household has solved the basic necessities of life, but can not meet the high level demands. The above mentioned two kinds of households are grouped into poor household. According to this, the sample peasant households are composed by 41% of the poor house-

holds (including mid-low income households and low-income households), 36% of middle income households and 23% of wealthy households (including mid-high income households and high income households) (Table 1).

**Table 1 Income groups of investigated rural households**

Groups	Numbers of household// People	Proportion %
Low-income household	41	16
Mid-low income household	64	25
Middle-income household	93	36
Mid-high income household	48	18
High-income household	13	5
Total	259	100

## 2 The analysis of the basic features of the sample peasant households

**2.1 The features of family structure of the sample peasant households** The family structure includes the structure of family members, ages, culture, health and the sources of income. According to the viewpoint of the S-C-P model, the structure has an impact on conduct and performance, so each structure of a family will influence the developmental status of the family.

According to the investigation materials, the average age of the householders in the sample peasant households is 44.33, with the maximum of 69 years old and the minimum of 20 years old; the average years for education of the householders is 8.08 years, among them the illiterate people accounts for

**Table 2 Descriptive statistics of sample of rural households' family structure**

Statistics	Ages of household Year	Educational level of household Year	Population scale People	Labor force People	Number of aged men People	Number of students People	Number of patients People
Average value	44.33	8.08	4.31	1.71	0.34	1.09	0.19
Median	44.00	8.00	4.00	1.71	0.00	1.00	0.00
Mode	45.00	8.00	4.00	2.00	0.00	1.00	0.00
Dispersion coefficient	0.20	0.34	0.23	0.28	1.96	0.76	2.32

Note: Dispersion coefficient has no unit.

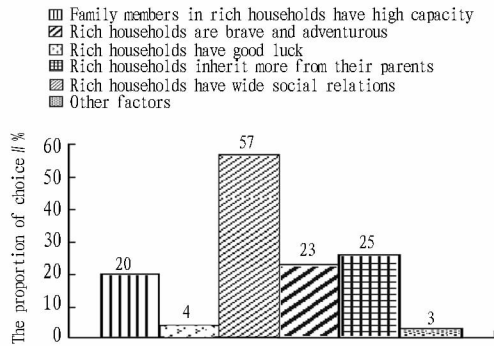
**2.2 The economic features of peasant households with different incomes** The economic status of peasant households not only reflects the high or low efficiency of the operation of peasant household organizations, but also directly shows the developmental capabilities of peasant households.

**2.2.1** As for the gap between the rich and the poor among peasant households, the reasons are diversified. Among the peasant households investigated, the gap between the rich and the poor is wide. The average income of the 259 peasant households is 4 559.2 yuan, but the richest one reaches more than 20 000 yuan, 27 times more than the poorest one. From the views of the reasons leading to the wide gap between the rich and the poor, 57 percent peasant households think that the initial reason is that the rich has wider social relations than the poor and the poor lacks the opportunities to be rich; the second reason is that the rich inherits more wealth from the last generation, having a high starting point of capital accumulation enables the rich to invest and then become more richer, but the

7% of the total householders, the householders with primary education takes up 20%, the householders with junior school education holds 41% and the householders with the education above senior middle school level accounts for 32%; the average family members in the sample peasant households are 4.31, with the maximum of 7 people and the minimum of a couple only; 21% of households have patients; households which only have a student (above the middle school level) account for 35.0%, households which have two students (above the middle school level) account for 34.5%, households which have three students (above the middle school level) account for 1.3%; the households with aged people (more than sixty years old) account for 42.0%. In addition, a labor force (people from 18 years old to 60 years old is complete labor force; aged people from 60 years old to 75 years old and patients with certain working capacity are half complete labor force; students above 18 years old can not be regarded as labor force) in a household needs to support 1.71 persons on average with the maximum of 4 persons. Table 2 indicates that there are big differences of the households with aged persons, the households with patients and the burden of labor force, but the differences of age, educational level and concentration tendency of population scale are relatively small; the dispersion degree of each variance is big, but the dispersion coefficient of the households with aged persons and the households with patients is particularly big. It indicates that the individual differences of the features of household structures are obvious and the different household structures show different behaviors, therefore, the developmental capabilities of peasant household are diversified.

poor do not have the chance; finally, some peasant households hold that the risk-taking is also the reason of the gap between the rich and the poor, however, the rich is not born with the characteristics of risk-taking and the risk-taking is not the block of the development of the poor (Fig. 1). Besides, some peasant households think that the family members from rich households have higher ability than members from poor households. This opinion is reasonable to some degree, but the ability is mainly acquired rather than innate. Therefore, it is of primary importance in improving the skills of family members. From the views of reasons leading to poverty, among the six options, the peasant households think that the main reasons leading to the poverty successively are the lack of opportunities to be rich (62%), the inability of family members (38%), the patients in family (37%), the high support and education fees for children (33%), the timid and conservative characteristics of poor households (31%) and the lack of labor force (11%). It can be seen that the opportunities of to be rich is a important factor

for the development of peasant households, but the block of information and the lack of social relations make the peasant households hard to find the way to get wealth.



**Fig. 1 Views of samples of rural households on the gap between the rich and the poor**

**2.2.2** Although the efficiency of farmland using of peasant households is high, they are hard to get rich effectively. The farmland acreage of peasant households is 0.38 hm<sup>2</sup> per peasant household, the annual input fee is 8 146.2 yuan/hm<sup>2</sup> and the annual net income is 8 061.6 yuan/hm<sup>2</sup> (regardless of the input of working time), so the earnings rate is high in running agriculture. But when asking the peasant householders whether they can get rich by cultivating farmland, 45 percent peasant householders hold that it is impossible, 16 percent householders think it is totally impossible, 33 percent peasant householders think it is possible if cultivated well, but only 7 percent peasant householders believe that people can get rich by cultivating farmland. It indicates that over 5 percent peasant householders hold negative attitude towards getting rich depending on agricultural production alone.

**2.2.3** The sources of income are diversified. From the main income sources of the peasant householders, 50% peasant householders choose to work out, next is the agricultural production (36%) and the rest of them choose to do business (14%), breeding industry(8%), transportation industry(6%), others(10%) successively. It can be seen that for most peasant householders, finding the income terms besides agricultural production is an important aspect of developing the peasant households. From the factors affecting the operation income of peasant households, among the seven options, the choices of peasant householders successively are the lack of technology (65%), the shortage of capital (57%), high costs of agricultural production (43%), decentralized farmland and small scale of operation (39%), deficiency of agricultural infrastructure (16%) and others (3%). Thus training the peasants and enabling them to master a kind of skill, solving the source problem of the development of peasant households and reducing the costs of elements input to the agricultural production are the necessary measures for increasing the income of peasant households and narrowing the gap between the rich and the poor.

**2.3 The features of ideologies of peasant households with different income levels** Human behavior is directed by his ideology, peasant householders with different ideologies will have great difference in choosing development items.

**2.3.1** The ideology of striving to keep up with each other and emphasizing the face awareness. According to the investigation, 50 percent peasant householders hold that the problem of "striving to keep up with each other, going in for ostentation and extravagance and pursuing the appearance of being rich" is one of the serious problems in rural areas. Some Chinese fine traditions are severely distorted. The rich people likes showing off rich, they go in for ostentation and extravagance in every important or trivial business, which causes great economic pressure to average peasant households. For instance, in order to show filial obedience to the dead relatives, the rich peasant households usually hold luxury funeral and generally the expenses are more than 10 000 yuan. In the investigation, although most peasant households oppose the large-scale arrangements of wedding ceremony and funeral, they will still hold extravagant wedding ceremony and funeral even with excessive debt out of comparison and face problem.

Although the funeral is grand, the phenomenon of not filial to aged people and maltreating aged people frequently occurs. According to the investigation, 25 percent peasant households believe that do not filial to aged people is one of the serious problems in rural areas. There is a typical case in the rural community in which the author once lived. Mr. Chen was a widowed old-aged man, who has seven children. Out of egoistic motives, his children treated him so bad when he was alive that sometimes he could not make living. However, after his death, his children held grand funeral for him with large expenses. Because of the dominant effect of face, people spend much money on the funeral rather than in supporting the aged people. This is a thought provoking phenomenon. In addition, the peasant households are troubled by the problem of face, they have to spend their limited money on the "face" projects, thus the input of profitable projects will be restricted indefinitely.

**2.3.2** The fear of taking risk and the lack of investment awareness. The primary concern of many peasant households is safety and survival when choosing the development items of the family, then is the maximization of profits. The rationality of peasant households is limited when the external environment is uncertain and the risk avoidance will make them miss better development opportunities. When being asked "whether you are willing to work out for high income with high risk?", 60 percent peasant households will choose the negative answer. It can be seen that the safe survival is the primary concern of peasant households. However, when being asked "what do you want to do best when you are rich enough", over one third of peasant households think that the improvement of living conditions is prior to investment, which indicates that the idea of enjoying easy life is prevalent in rural areas.

**2.3.3** The egoistic psychology exists among the peasant households and the peasant households are hard to cooperate with. Hagging over every ounce has become the dominant trait of peasant households, the dispute concerning interests will arise even among brothers and sisters. Although the peasant households' awareness of market economy has increased gradually and the concepts of competition, freedom, equality, efficiency foremost and credit first have been accepted, the peasants are still lack of the awareness of cooperation; their cooper-

ation often turns to rational calculation of all directions. Limited by the knowledge structure and ability, the peasant households can not see the long-term interests of cooperation, thus leading to the difficulty in cooperating.

**2.4 The features of communication of peasant households with different income** In rural areas, the phenomenon of disliking the poor and cherishing the rich is prevalent. The poor households often stay in low position of the social communication, so the poor households tend to communicate with other poor households, and then the communication circle will be formed. In the circle, people have similar economic situation, equal social position and the communication of the poor is easy to form the poor culture, the demand of self-respect makes the poor households feel ashamed to learn from the rich. What's more, driven by the human relationship and face, the poor households often evade their relatives intentionally for they can not afford the reciprocity among relatives and friends. The lack of communication and information will definitely hinder the development the poor households.

From the sources of getting access to agricultural information, the broadcast and TV are the main sources of peasant households to obtain various kinds of agricultural information. The proportion of poor households especially the absolute poor households who choose these sources reaches 92%, 13 percentage points higher than the rich households, but the propor-

tion of other sources from which they get agricultural information is relatively lower, for instance, 20 percent of poor households choose the source of relatives and friends while the proportion of middle income households and wealthy households who choose the same source comes to over 55%. Besides, the proportion of getting information from the village cadres, the agricultural goods store, the peasant association, universities, research organizations, newspapers and magazines is also higher, which reflects that the broad information source is one of the significant features of the rich households. The mutual trust is the basis for deep communication. From the confident degree of poor households toward other people, poor households have obviously lower confident degree toward others. Besides the low confident degree, the obvious features of the poor households also include the serious self-close, conservation, suspicion and fear of taking risks; during the busy farming season, most peasant households will help each other, but the proportion of mutual help among the rich households is far higher than that among the poor households. 12 percent poor households choose " never get help from others" , 4 percentage points higher than the rich households. From the relations between households and relatives, the proportion of rich households who choose ' pretty good ' is obviously higher than other peasant households; however, the proportion of choosing ' Not so good ' is higher among poor households ( Table 3 ).

**Table 3 Comparison of interpersonal communication skills of rural sample households**

%

Category	Options	Low-income household	Mid-low income household	Middle income household	Mid-high and high income household
Lending sources	Bank or credit union	8	15	18	21
	Relatives	80	95	91	100
	Friends	48	59	63	84
	Private lenders	0	5	0	3
	Others	0	0	0	0
	Broadcast and TV	92	85	86	79
Agricultural information	Peasants' associations	0	0	4	0
	Agricultural goods stores	0	15	19	3
	Agricultural technology promotion sectors	8	3	9	5
	Relatives, friends and neighbors	20	33	56	55
	Universities and research units	0	0	4	3
	Village cadres	8	13	18	24
	Newspapers and magazines	4	15	11	16
Trust degree	Trust greatly	12	8	4	11
	Rather trust	24	38	51	53
	Trust roughly	56	44	44	63
	Distrust	8	10	2	0
	Distrust completely	0	0	0	0
Help situation	Never	12	8	11	8
	Sometimes	72	77	60	55
	Frequently	16	15	30	37
Relatives	Pretty good	36	33	32	45
	Mediocre	40	54	63	53
	Not so good	24	10	5	3
	Bad	0	3	0	0

### 3 Conclusion and Suggestions

**3.1 Conclusion** The analysis shows that there are big differences between the features of peasant households with different income. The peasant households with different struc-

ture of family members have different features of behaviors, which lead to the big difference of the arrangement of family economic structure and the economic efficiency among peasant households. The difference also exposes the disparity in the

level of competence of peasant households; the ideology features of peasant households show the ideological barriers faced by the development of peasant households; the communication skills of rich households is better than that of poor households and the rich households have enough social relations, but the poor households are relatively ill-informed, unable or unwilling to spend more to maintain social relations, pursuing the development belief of independence and self-reliance.

### 3.2 Countermeasures and Suggestions

**3.2.1** Optimizing the family structure and emphasizing the training on the skills of the core members in a family. The most important property owned by poor households is their labor force, the comparative advantages of them. As for the rich households, besides the labor force they possess some other properties, such as the capital, good education, human relations and so on; but as for the poor households, they do not have any property which can be used to make profits except labor force.

Therefore, the poor households should focus on improving the human capital of their family members. The key is to learn and acquire the skills of making money and through the improvement of skills to obtain good job opportunities so that improve the development ability of the family.

**3.2.2** Taking measures suited to the family conditions and directing the peasant households to choose the suitable way of development. The choices of development path should accord with the characteristics of the households. The extroverted, outgoing and adventurous householders are mainly engaged in non-agricultural industries, such as doing business, transportation and so on; the introverted, unsociable and risk avoiding peasant households should seek development path according to the specific skills they have got. Therefore, encouraging the peasant households to maximize their favorable factors, minimize the unfavorable ones and make family development plan according to the characteristics of householders is of great significance in promoting the continuous growth of the self-development capabilities.

**3.2.3** Encouraging the peasant households to work out from many aspects and protecting the legitimate rights and interests of migrant works. In the first place, the service system of intermediary agencies for migrant workers should be perfected. It is suggested that the local government set up intermediary agencies specialized in providing job service for the migrant workers. The agencies will take the responsibility of bridging the employers and the migrant workers, settling the barrier of getting job information, restricting the activities of migrant workers and the enterprises by agreement to protect the legitimate rights and interests of migrant workers. Secondly, the agencies should try to assemble the migrant workers who are familiar with each other and organize a tour to work out together so as to avoid the field shock and humiliation. In the second place, the agencies should enforce the skills training and improve the employability of peasants. In the final place, the measures suited to the households' conditions should be taken to make the people first

when arrange the employment, for example, some labor forces are heavily burdened by the children and patients, so they can not work out, which confined the development of peasant households. The suggestion is that the rural kindergartens should be built by the support of local government so as to solve the problem of the children left at home. As for the householders who have patients in family, the government should try to make them work at local place.

**3.2.4** Promoting the rural culture and building good platform for the communication of peasant households. Seeing from its appearance, the poverty is the economic and material problem, but from deep analysis, the social culture works. After the long-term precipitation, the social, cultural or psychological factors are easy to form backward psychology, rigid thought pattern and orientation of value, and then the stubborn culture (living customs) and ideologies (concept) will be formed, that is the poverty culture<sup>[2]</sup>. The poor cultural life often gives convenience to feudal superstition and gambling, which pollute the social atmosphere and have bad effect on the economic construction and social stability of rural areas. Therefore, it should flourish rural culture, unfetter the shackles of poor culture and renew the ideology so as to push people to build the right value of wealth.

There are three steps to construct the rural culture platform. Firstly, the construction of rural cultural infrastructure must be enforced. The lack of the places and associated facilities is the main reason leading to the poor culture of rural areas. So the relative cultural department should arrange certain construction of cultural infrastructure and improve the peasants' cultural life by various forms. Secondly, various kinds of recreational and sports activities, competitions should be held and peasants' bands should be formed by the direction of financial support. Thirdly, compiling the documentary records, history of the villages and establishing the monuments, such as the public cemetery, the ceremony of the festivals, so as to form the sense of village<sup>[3]</sup>.

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