

Peasants' Informal Employment: A Microsocietal Study of Two Villages of Dingxian, Hebei

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华北农民非正规就业的微观形态：基于河北定县 两个村庄的考察

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Abstract

Research on informal employment in China has mainly adopted an urban perspective, ignoring its rural social and economic dimensions. This article, adopting a rural perspective, not only takes into considerations a greater number of informal forms of employment, such as part-time businesses and self-employment, but also explores the mechanisms that differentiate the various types of informal employment by comparing the level of development of township and village enterprises and changes in the mode of agricultural management. The article discusses the forms and evolution of informal employment in two villages in Dingxian (Ting Hsien) 定县, a county that has been studied in depth since the 1920s. Our study finds that the distance between township enterprises and the village is an important factor influencing peasants' informal employment since it largely determines the choice of peasants to "leave both the land and the village" or to "leave the land but not the village," which in turn further affects the level of peasants' incomes. Compared with employees in the formal sector, these informal employees are obviously in a weak position in terms of wage levels, working conditions, welfare, security, and so on. As for the internal environment, changes of the mode of rural production also affect the forms of informal employment. The large-scale operation of the land will liberate the agricultural labor force, so as to expand the potential scale of farmers' employment, and

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the shift from growing food crops to growing cash crops will lead to more diversified forms of farmers' concurrent businesses. Finally, the article tries to establish a framework composed of the internal and external environment of the village to explain the mechanism of peasants' informal employment.

Keywords

peasants' informal employment, concurrent occupations, township and village enterprises, leaving both the land and the village, leaving the land but not the village, modes of agricultural management

摘要

国内关于非正规就业的研究,大多是以城市为观察视角,忽视了非正规就业人员身后的农村社会经济状况。把农村作为研究的起点,不仅可以纳入更多的非正规就业形式,如农民兼业和个体经营等,更为重要的是,它还能够通过对比“传统部门”内不同程度的乡镇企业发展与农业经营方式变化,从而发现非正规就业的差异化形成机制。作为上世纪20年代就已备受学界关注的农村社会,河北定县有着深厚的学术研究传统。本研究选取了当地两个具有不同特征的村庄,发现附近是否存在乡镇企业很大程度上决定了农民打工的距离远近,即离乡还是不离乡,这也进一步影响农民收入水平的高低。无论是以建筑业为主的离乡务工,还是以作坊式乡镇企业为主的在乡务工,其员工的工资水平、工作条件和福利保障等方面均处于不利位置。与此同时,农村内部经营方式变化也会影响、甚至促成新的非正规就业。土地规模经营更大程度上解放了农业劳动力,客观上扩大了农民外出的潜在规模;从种植粮食作物到经济作物的转变,使得农民兼业形式变得更加多样化。最后,我们尝试建立一个由村庄内外部环境共同作用形成的经验框架来解释农村非正规就业的变化机制。

关键词

农村非正规就业、兼业、乡镇企业、离土离乡、离土不离乡、农业经营方式

Research Background, Problems, and Perspectives

The marketization reform in China has generated and promoted a huge informal economy and informal employment sector, a phenomenon that has drawn increasing attention from scholars both in China and beyond. As far as informal employment is concerned, existing studies are mainly based on a particular historical background to explore the root causes of this phenomenon, e.g., globalization of transnational capital and the irregular behavior of local government in attracting investments (Li, 2011; Huang, 2010). Such studies usually also involve the investigation of domestic informal employment, including the economic contribution of informal employees (Hu and Zhao, 2006), the size and distribution of the various types of informal employment (Huang, 2009; Xue and Gao, 2012; Wu and Cai, 2006; Yao, 2006), and differences from formal employees in income, welfare benefits, etc. (Wei and Yu, 2012; Chang and Wang, 2010; Yang, 2015; Huang, 2009; Gustafsson, Li, and Sicular, 2008: 12, 29). Such differences reveal the unfair treatment meted out to informal employees, who, although they have made a huge contribution to economic growth, continue to suffer from the loss of labor and social security, the lack of legal protections, and so on (Li and Tang, 2002; Huang, 2013).

Analysis from a macro perspective reveals the general picture of domestic informal employment and directly reflects the absence of the state's responsibility

for this part of the labor force (Zhang Jing, 2011). Although existing analyses reveal the reality of informal employment and the need for a change in policy, they do not adequately address the underlying mechanisms that disadvantage informal employees. Uncovering the concrete features and complex facts behind different forms of informal employment requires a more micro perspective. Among empirical studies of informal employment, Ma Liuhui (2015) has discussed the institutional exclusion suffered by the disadvantaged *nongmingong* (migrant workers) in Shanghai's suburbs. Yang Wenxie and Yang Wende (2011) have described the living conditions, with low-income and few social benefits, of *nongmingong* in Guiyang. Studies targeting the workplace include research on *nongmingong* in Guangzhou's clothing and leather products factories (Zheng, Sun, and Wan, 2015; Xue, Lin, and Huang, 2014), and a case study of self-employed restaurateurs in an "urban village" in suburban Beijing (Zhang and Wu, 2013), as well as others. There are two common threads running through these micro-perspective studies: first, the object of these studies consists basically of migrant *nongmingong* in cities, even though this category represents but one type of informal employment; second, most studies have been conducted in the workplaces of *nongmingong* in urban spaces. Since *nongmingong* come from the countryside, they carry the imprint of rural society. And since there is a strong link between China's urban and rural areas, studies on informal employment from a micro perspective need to consider other possible forms of informal employment, such as work in township and village enterprises (TVEs) and rural concurrent occupations 兼业, as well as the rural attributes of employees in these categories.¹ All of this makes it necessary to seek a fresh and inclusive approach to research on informal employment.

In this article we will take a different perspective from previous research in analyzing peasants' informal employment. We seek to identify the origins, the evolution, and the expanding history of peasants' informal employment by presenting specific situations of rural families. Consequently, we focus on the reality of the current informal employment situation and the generative logic behind it. Through a case study of two villages in Dingxian (Ting Hsien) 定县, Hebei, this article explores three aspects of informal employment. First, it undertakes a longitudinal study of the evolution of peasants' informal employment, something relatively rare in previous studies. The available historical data allow us to trace informal employment back to as early as the 1920s. Such a long time span helps us better understand the factors that shape informal employment today. Second, as far as rural areas are concerned, different internal and external conditions may lead to differences among villages in terms of the size, composition, and income level of

¹ According to Philip C. C. Huang (2009), defining the informal economy as limited to urban areas, as does the International Labour Organization (ILO), lumps together China's urban and rural areas, and its *nongmingong* (migrant workers) and peasants, in a way that ignores the actual situation of China. When we use the concept of "informal economy," we highlight its "Chinese characteristics" in this regard and make clear that "half worker half cultivator" peasants are also included.

the informal employment sector. Therefore, the common view of the countryside as a “traditional sector,” and the neglect of its internal differences, is an oversimplification that we hope to correct. Third, regarding the future trajectory of peasants’ informal employment, we offer an explanatory framework that takes into account both the internal and external environment of villages. That is to say, through an intermediate variable—income level—changes in the external economic environment systematically affect all kinds of informal employment and at the same time changes in the mode of agricultural operations within villages bring about endogenous changes in peasants’ informal employment. The interaction of these two forces determines the living conditions of peasants in the cities and standard of living of their families back in the villages.

Informal Employment: A Comparison of Two Villages

Village Profile: Zhaicheng and Zhaojiawa

Zhaicheng village, situated 15 kilometers east of Dingzhou city in Hebei province,² lies within the jurisdiction of Dongtingzhen. Today, with more than 1,200 households and nearly 5,000 people, the village is typical of large villages on the North China plain. In the village, the most numerous five surnames are Mi, Qin, Zhang, Li, and Han, which account for about 85 percent of the population. The village has 6,700 *mu* (1 *mu* = 0.16 acres) of arable land, which amounts to 1.47 *mu* per capita. This land was allotted during land distribution;³ those born after that have not been granted arable land. Zhaicheng is famous for its long history and the reform of village governance in the modern era. In the early twentieth century, a local gentryman, Mi Digang 米迪刚, launched a pilot village governance project which transformed Zhaicheng into a model village. In the 1920s and 1930s, Yan Yangchu (James Yen) 晏阳初 and some other intellectuals carried out a dynamic popular education program in the village. At the beginning of this century, in cooperation with the Chinese Economic Reform Society 中国经济体制改革杂志社 and other units, the village established the Yan Yangchu Rural Reconstruction Academy 晏阳初乡村建设学院 to promote mutual help and cooperation among the villagers. After several “brilliant events,” the village is still a typical North China plain village at the middle level in terms of development. But Zhaicheng nowadays is not a village that merely grows grain, but has a multiple planting structure. Planting maize, wheat, and other traditional crops continues, but a large portion of the arable land is now devoted to tree seedlings, peppers, and other cash crops. The expanded scope of tree seedlings planting has brought changes to the pattern of

² Dingxian was made a county-level city (and renamed Dingzhou) in 1986, and a provincial-level city in 2013. In this article, which examines informal employment from a historical perspective, we use the name “Dingxian.”

³ This refers to the second round of land distribution in 1999.

labor in the village, with the emergence of tree digging as a sideline occupation.⁴ Since there is a lack of local TVEs, young people tend to leave the village for faraway places in search of work.

Zhaojiawa village is located four kilometers north of the township seat, close to National Highway 107. It has 2,530 people in 620 households. All are of the Han nationality; there are no ethnic minorities. The main surname is Zhao (accounting for 90 percent or more of the population); other main surnames include Gao, Jia, and a few others. Zhaojiawa has 2,610 mu of arable land, or only about 1.1 mu per capita, even less than in Zhaicheng. Unlike in Zhaicheng, where the household is the business unit, in Zhaojiawa most farmland is under large-scale operations after the contractual right to the land was transferred. The scaled operations are carried out by specialized farmers' cooperatives 农民专业合作社. The village currently has three such cooperatives, one of which has contracted nearly 2,000 mu (including land from other villages). It is now a national planting demonstration base and demonstration project of the Ministry of Agriculture and the Hebei provincial government. Moreover, in the village there are several private enterprises 民营企业: a large fertilizer plant, four luggage-making factories, one garment factory, and others. The village has not only made the transition from the traditional small-scale peasant-household mode of production to a large-scale, intensive, and industrialization-driven mode, but has also experienced a profound transformation in the types and income structure of peasants' occupations. Moreover, Zhaojiawa is only a hundred miles or so from the cities of Shijiazhuang and Baoding and hence near large markets, which has promoted the prosperity of the commercial transportation industry and the commodity processing industry around the village. Needless to say, the development of these industries has provided a large number of informal jobs for the villagers.

Informal Employment in Dingxian (Dingzhou): A Historical Survey

In a phenomenon directly related to informal employment, since the reform and opening up, the loosening of the barriers to rural-to-urban mobility has allowed millions of nongmingong to go to work in cities. In addition, a large number of TVEs have sprung up with the reform of the rural economic system, which has enabled peasants to leave the land but not the village. In any case, no matter the type of work or the level of income, peasants' occupations have been fundamentally transformed. Dingxian provides an example of how such changes came about and the historical background to the transformation from small-scale peasant-household production.

⁴ Tree digging 掘树 refers to digging up saplings that peasants will market, carefully wrapping the trees, roots included, with ropes or bags, and finally loading them onto trucks.

The history of the peasants of Dingxian making a living outside the village can be traced back to the 1920s. According to the survey data of Li Jinghan 李景汉 and others, during the period 1924 to 1933, more than 400 peasants each year made a living outside the village. There was a rapid growth in this trend especially from 1930 to 1933, when the number increased from 443 to 7,849, accounting for 3.77 percent of the county's population.⁵ Most of these villagers headed for the northeast: on average, over the decade from 1924 to 1933, this was the destination of 56 percent of the villagers who left in search of work. The largest proportion (35.8 percent) went to Liaoning, with Jilin the second choice (20.40 percent), and Hebei the third (18.01 percent). More than 90 percent of those who left the village had worked the land; two-thirds of them ended up doing coolie work in their places of destination, a situation that is very similar to the pattern today. Another 11 percent of the villagers remained in the village farming, followed by a little less than 8 percent who engaged in one type of business or another outside the village or joined the army. The remainder—1 percent—worked in factories, or as fishermen, policemen, cooks, so on (Li Jinghan et al., 1934; Li Jinghan, 1934). Although part of the reason peasants left the villages during the Republican period (1912–1949) was the pull of relatively desirable jobs outside the village, the more important reason was the push of poverty and natural and man-made calamities. Therefore, the main purpose of peasants leaving the villages was to find a temporary source of livelihood. Their feet led them to any place that could provide them with jobs that could sustain their subsistence (Zhu and Wang, 2001). In this sense, aside from the common motivation of seeking a better life, peasants who left the villages during the Republican period cannot be compared with peasants going off to the cities today in search of informal employment. In the latter case, what should be emphasized is the disadvantageous status of “agricultural-to-non-agricultural” workers; in the former, the story is simply one of a disorganized migration of peasants trying to find a way to eke out a living for themselves and their families.

By no means did all of Dingxian's peasants leave the village in search of work, as we have pointed out. In fact, there was some industrial development within the county. We have statistics on industry in the 453 villages of Dingxian for the year 1931. Industries in seven categories—textiles, weaving, woodworking, food, chemicals, iron working, and others—and workshops in more than 120 categories of cottage industry, together employed 80,800 people, fully a quarter of the rural population in that year. But none of this was manufacturing industry in the modern sense. Rather, in the villages it was still the case that “men till and women

⁵ In addition, a 1936 report by the Agricultural Experiment Institute showed that in Hebei in 1933, 3 percent of all households in the counties surveyed had left their village, and 8.5 percent of the peasant households had a young man and woman who had left the village. In other words, large-scale migration of peasants in search of work was not rare (Central Agricultural Experiment Institute, 1936: 173).

weave.” Only 19 percent of the workers in these industries were men; all the rest (81 percent) were women (Zhang Shiwen, 1991 [1936]: 48–51). Although almost every household was involved in handicrafts, the income was very low: in Zhaicheng it was equivalent to just 6.6 percent of the income from raising crops. As for Dingxian’s larger workshops, of which there were a total of 1,587, the average income of workers was only roughly equivalent to what a peasant household could earn through raising crops (Zhang Shiwen, 1991 [1936]: 221). Thus, handicraft industry at the time could not transform rural households nor could a modern economic sector in terms of the types of occupations emerge.

Dingxian’s integration into the informal employment sector in a real sense came in the mid and late 1970s. The low income from farming drove some villagers to quit the communes and secretly engage in construction work outside the village. Due to the chain effect of labor migration—where when one person works outside the village and earns a relatively good income, more people are spurred to do the same—the scale continued to expand. At first the communes and production teams banned peasants from leaving for other places, but at last they had no alternative but to acquiesce, with the bottom line that peasants who worked outside were required to pay a fine big enough to compensate for the absence of their work on the farm. As of the late 1970s, an adult male laborer received the equivalent of about one RMB for 10 *gongfen* (work points), while the daily wage from working in the city was as much as five RMB, far more than one could earn from farming. Thus with the gradual loosening of the household registration policy in the 1980s, a massive influx of rural surplus labor into cities was unleashed.

By the 1980s, the rise of a number of TVEs and local private enterprises absorbed a great deal of nearby peasant manpower. Enterprises that produced fixtures for the textile industry developed the fastest.⁶ In 1984, the county had a total of 2,070 textile accessories processing sites in 106 villages with 4,756 employees producing 626 varieties of textile accessories. In 1989, the county’s annual total production value of textile accessories was RMB 17 million, and more than 6,000 workers were employed by the industry (Wu, 2007: 32). But by the mid-1990s, the rural handicraft industry began to experience a decade of decline. Enterprises in Zhaicheng, including brick factories, printing factories, carton factories, and flour mills, that were set up in the 1980 mostly went bankrupt and today only a flour mill survives. Most of the existing TVEs in Zhaojiawa were established 10 years ago with the expansion of the market. Overall, from 1990 to the early 2000s, the development

⁶ In addition to the textile fixtures processing industry, TVEs in Dingxian at that time included fitness sports equipment manufacturing and textile and plastic processing plants, with, respectively, 2,400, 3,500, and 3,500 employees in 1989, and with an annual total output value of RMB 15 million, RMB 15 million, and more than RMB 20 million (Wu, 2007).

of TVEs in the county stagnated.⁷ Peasants in search of informal employment opportunities had no choice but to leave for distant places.⁸

A research team, “Eighty Years of Rural Social Change in North China: A Reinvestigation of Dingxian” led by Zheng Hangsheng 郑杭生, carried out an investigation in 2001 that looked into labor usage and the employment structure of 12 villages and 1,163 households all across the county. The results indicated that migrant workers mainly headed for large cities. Beijing was the destination of 52.2 percent of the migrant workers; Shijiazhuang, 13.8 percent; Baoding, 5 percent; and Tianjin, 7.3 percent. A total of 69,335 peasants, 78.3 of all migrant workers, headed for these four cities (Zheng and Wu, 2004). A special survey of rural occupations in Zhaicheng in 2004 conducted by Zhang Donghui 章东辉 found that of the total of 899 peasants working outside the village, 91 (10.1 percent of all non-agricultural workers) worked in the local area (that is, around the county seat), and 661 people (73.5 percent of all migrant workers) worked in other provinces. The low proportion of local employment indicates that local TVEs had a relatively low capacity to absorb labor. The migrant worker occupation structure showed an obvious trend toward concentration, with nearly 80 percent working in the construction industry; the rest worked in social services (4.1 percent), manufacturing (4 percent), the wholesale and retail trade (3.8 percent), and transportation (2.7 percent) (Zhang Donghui, 2009: 120–21).

A Comparison of Peasant Income in the Two Villages

What changes has peasants' informal employment in Dingxian undergone today compared to a decade ago? To answer this question, in 2016 we conducted a questionnaire survey in Zhaicheng and Zhaojiawa on the occupations of one hundred peasant households in each village.⁹ We chose these two villages because one represents the “leave both the land and the village” pattern and the other the “leave the land but not the village” pattern—the two major categories of informal employment. Moreover, the pattern of casual labor and self-employed households (*getihu*)

⁷ According to statistical data in the *Dingzhou Municipal Gazetteer*, from 1978 to 1988 the number of TVEs increased from 2,395 to 24,833, but by 1989, the number had shrunk to 22,543, a decrease of about 9.2 percent (Compilation Committee, 2013: 368). Data from the *Dingzhou Statistical Yearbook* show that in the year 2001, there were 14,711 TVEs in the city, a decrease of 34.7 percent compared to 1989. In 2002 and 2003, the number of TVEs began to increase, growing from 15,790 to 15,854, an annual growth rate of 7.3 percent and 0.4 percent respectively. Thereafter the *Statistical Yearbook* no longer listed TVEs as a separate category. Our field research suggests that the number of TVEs after 2003 continued to grow (*Dingzhou Statistical Yearbook*, 2001: 192; 2002: 183; and 2003: 227).

⁸ Even so, the 15,854 TVEs of Dingxian in 2003 employed a total of 194,474 people, while formal employees in Dingxian at the time amounted to only 31,279 people, a more than six-fold difference. Thus, although the number of workers in TVEs was smaller than that of trans-provincial workers, it is far more than the number of formal employees (*Dingzhou Statistical Yearbook*, 2003: 227, 295).

⁹ Unless mentioned otherwise, the data in the text are from this survey.

in the two villages is typical of North China. Hence, the two villages basically covered all the informal employment categories we wanted to study.

First of all, taking the year 2015 (that is, one year before our investigation) as a benchmark, the average annual wage income of non-agricultural employees was RMB 39,559 per capita in Zhaicheng and RMB 32,400 in Zhaojiawa, a gap of RMB 7,159 between the two.¹⁰ The cause of the gap is that non-agricultural employment in Zhaicheng mainly involves nongmingong (migrant workers) who leave the county to work in the construction industry (this point will be explained in detail below), which pays relatively high wages, while Zhaojiawa's TVEs are mostly in the light industry sector, with relatively low wages. But the income advantage enjoyed by non-agricultural employees does not mean that all the village residents also have a high income. It all depends, of course, on the number of non-agricultural employees and their proportion of the total. Although Zhaicheng villagers are more inclined to leave both the land and the home village, they accounted for only 22 percent of the respondents,¹¹ that is to say, keeping in mind that our sampling was random, less than a quarter of Zhaicheng villagers worked outside the county, with the rest still farming in the village. By contrast, among the 100 respondents in Zhaojiawa, 71 were engaged in non-agricultural work, a much higher proportion than in Zhaicheng.

Of course, this is only the relative situation in the two villages. When we compare these data with a wider range of statistical indicators, it becomes clear that although the two villages have different forms of non-agricultural employment, in both the income levels are low. Data from the National Bureau of Statistics for the year 2015 show that the annual average wage of employees in urban non-private units was RMB 62,029,¹² 56.8 percent higher than in Zhaicheng (where peasants leave both the land and the village) and 91.4 percent higher than in Zhaojiawa (where peasants leave the land but not the village). It is thus clear that there is a large difference between formal and informal employment insofar as income is concerned. The annual average wage of employees of non-private entities 非私营单位 in the cities and towns of Hebei province and Dingxian during the same period was respectively RMB 50,921 and RMB 48,834,¹³ 28.7 percent and 23.4 percent higher than in Zhaicheng.

¹⁰ Unless mentioned otherwise, per capita income refers to the average annual income of the head of the peasant household. Since this article mainly analyzes informal employment, the elderly, children, and other non-working groups are not considered.

¹¹ This number may be too small since some peasants who "leave both the land and the village" were not at home at the time of the survey. In this regard, we have applied another sampling strategy, that is taking the household as the object of investigation reflecting the current occupational structure of different family members. If the male household head is working outside the village, information on the general circumstances of his work can be obtained from his wife or children.

¹² See the website of the National Bureau of Statistics: http://www.stats.gov.cn/tjsj/zxfb/201605/t20160513_1356091.html.

¹³ See the website of the Hebei Provincial Bureau of Statistics: <http://www.hetj.gov.cn/hetj/tjsj/ndsjsj/101462762814980.html>.

Second, let us look at the income level of peasants who make their living by farming. With the increasing diversification of rural occupations, many peasants in farming also engage in sidelines or other activities in their spare time to earn some extra income. In 2015, the average annual agricultural income of Zhaicheng villagers was RMB 11,483 per household. In addition, to boost their income, nearly half the peasant households took up a concurrent occupation 从事一份兼业 conducted off their land. Those households had an extra average annual income of RMB 6,397. Six households engaged in two concurrent occupations at same time 从事两份兼业; that is to say, they had two different occupations off their land during the agricultural cycle. Those households had an extra average annual income of RMB 5,000.¹⁴ During the same period, in Zhaojiawa, where most of the land had been contracted out, only 19 households still mainly engaged in farming, which yielded an average annual income of RMB 10,053, slightly lower than that of Zhaicheng. With no significant difference in crop yields, the key source of this difference lies in the amount of per capita arable land and in the types of crops. Zhaicheng has around 0.37 mu more land per capita than does Zhaojiawa, and the return on its seedlings is higher than that of grain crops like wheat and maize. Zhaojiawa's "one concurrent occupation" households—less than 10 percent of all the village's households—earned an extra average income of RMB 5,368 in 2015, much less than that of Zhaicheng. As for "two concurrent occupations" households, there was only one in Zhaojiawa. As we have mentioned above, the availability of casual work such as tree digging and so-called green conservation, which was derived from seedlings planting in Zhaicheng and its surrounding area, expanded the proportion of concurrent business employees. Since only a few employees were needed to take care of Zhaojiawa's cooperatives, concurrent occupations were thus less developed.

Finally, we briefly calculated the influence of working distance on income to verify whether peasants who "leave both the land and the village" earn more than those who "leave the land but not the village." Our survey data show that Zhaicheng's trans-provincial migrant workers accounted for 62 percent of informal employees, and had an annual per capita income of RMB 42,846 in 2015. By comparison, the average wage of intra-provincial migrant workers from Zhaicheng was only RMB 30,875. The situation was the same in Zhaojiawa except that the size of the sample of trans-provincial migrant workers is relatively small, so it can be ignored. The average wage of intra-provincial workers from Zhaojiawa was RMB 34,323, a level between Zhaicheng's intra-provincial and trans-provincial wages. Why do trans-provincial migrant workers enjoy a higher income? One reason is that they are mainly construction workers, and it is felt that the heavy physical demand of such work warrants a high income. Another reason is that

¹⁴ In this way, if a household takes up two concurrent occupations during an agricultural cycle (one year), the average total annual income should be RMB 11,483 (from agriculture) plus RMB 6,397 (from the first concurrent occupation) and RMB 5,000 (from the second concurrent occupation).

trans-provincial migrant workers mainly reside in large cities like Beijing, Tianjin, and so on, where most incomes are higher. As for Zhaojiawa's intra-provincial migrant workers earning more than those of Zhaicheng, that is mainly because Zhaicheng's casual laborers have short-term jobs (for instance, tree digging is completed before May of each year) and thus their work lacks continuity, whereas workers in Zhaojiawa's TVEs are employed an average of eight or nine months a year, and so their annual total wages are higher.

Non-Agricultural Occupations in the Two Villages

As previously mentioned, Zhaicheng is far from any urban area and the trade and transportation services around the village are relatively undeveloped. That, coupled with the lack of nearby TVEs, leads villagers to seek opportunities outside the province. Here we will probe into the specific occupational structure of migrant workers so as to clarify the scale and proportion of informal employment among migrant workers as a whole. Considering occupational differences between the genders, we use gender as a classification criterion to describe the non-agricultural occupations of males and females respectively.

Among the 35 male migrant workers of Zhaicheng,¹⁵ 12 or one-third of the total, work in the construction industry. The next most numerous are professional and technical personnel (five people), mainly young people with a relatively good education. Other important work sectors for villagers include manufacturing, transportation, wholesale and retail trade, and catering services (three persons in each category). Finally, there are two people in senior management positions. (Since the remaining migrant workers work in miscellaneous sectors, we will not analyze them in detail.) From this employment structure it can be seen that informal sector employees are in the majority. However, some occupations do not provide welfare and benefits; for instance, professional and technical workers may be in private or township and village enterprises with low security or in the formal employment sector in cities. Therefore, villagers' occupations should also be categorized according to whether workers are covered by insurance and labor contracts. Three of the five professional and technical personnel have neither insurance nor a labor contract; the other two have a labor contract, but only one has insurance. Overall, only six (17 percent) of the migrant workers in all categories have labor contracts; 15 (43 percent) people have insurance. Two-thirds of the workers in the construction industry are covered by insurance, almost a necessity in a high-risk occupation. As for the female labor force of Zhaicheng, only nine of 67 questionnaire respondents indicated they had a non-agricultural job, showing that most of the women stay at home.

¹⁵ In this case, "male worker" refers to the household head and other male members working outside the village.

Of Zhaojiawa's 46 migrant workers, 25 are in the construction industry, a proportion higher than that of Zhaicheng. It can be seen that for men, even if there are TVEs nearby, they are still more inclined to go farther afield in search of work. Second, there are nine people working in manufacturing and commerce, and retail—understandable since Zhaojiawa is closer to cities. The distribution of the remaining occupations is relatively fragmented. As in Zhaicheng, by and large the occupation structure is characterized by informal employment. Thirty-nine percent of Zhaojiawa's migrant workers had a labor contract and 38 percent had insurance. A prominent feature in construction and manufacturing is that labor contracts and insurance are often bundled together. This reflects a polarization in informal employment since most migrant workers have no labor contract and no insurance. Zhaojiawa's female employment is significantly different from that of Zhaicheng. Of the 39 female non-agricultural employees surveyed, a total of 20 work nearby. Many of them work in TVEs or the service sector, and seven work in trade and related industries. Therefore, it can be seen that gender differentiation in terms of occupation in Zhaojiawa is very obvious in non-agricultural employment. Today, just as in traditional society, "the man goes out to work while the woman looks after the house." However, such a division of labor has broken through the boundaries of the household and become integrated into broader social production.

Forms of Informal Employment

Since the informal economy and informal employment include a very wide range of industries and occupational groups, in this part we divide the peasant informal employees of Dingxian into four categories.¹⁶ The first category, which encompasses the largest proportion of workers in informal employment, consists of migrant workers working outside the village. These workers are almost completely separated from their hometown and land, spending most of the time working outside the local area, even in other provinces or other countries. Strictly speaking, the second category also consists of migrant workers, although compared with the first type, their work places are relatively closer to home. Some of them go home at night or after short workdays. The third category of informal employees—those who do not leave their land or village—has been rarely investigated in past studies of informal employment. These people, although they still farm, are also engaged in work off their own land in their spare time. Since today farming often involves intensive production and an increasing degree of mechanization, peasants can have more and more disposable time to earn money by engaging in other work. We will explore this subject through a detailed case study later in the article. The last category is

¹⁶ Here we need to reemphasize the definition of "informal employment." Since we take the village as the research vehicle, it is inevitable that all informal workers have peasant characteristics, that is they may have formerly had or still have a rural hukou, but they work in the non-agricultural sector either full time or part time.

self-employed getihu who may be in rural areas and grow crops, or may be in nearby towns or cities.

Nongmingong Who Leave Both the Land and the Village

Nongmingong (peasant migrant workers), a particularly Chinese concept, encompasses a huge number of people but, as a concept, it is very vague. Although China has established a whole set of statistical indicators on urban formal employees, it has not done so for nongmingong. It is therefore very difficult for us to know the precise economic contribution and employment situation of these 277.47 million people.¹⁷ Although they have long worked in China's cities, it is hard for them to obtain welfare and others benefits comparable to those enjoyed by urban residents. The nongmingong are obviously "second-class citizens" (Huang, 2013). Compared with urban formal workers, they are at a disadvantage in terms of workload, work hours per week, wages and benefits, and so on.

In Dingxian, construction workers make up the largest proportion (69 percent) of nongmingong (Zhang Donghui, 2009: 121). This represents a continuation of the career choices of the first generation of nongmingong, but it is also associated with China's nationwide march toward urbanization. From interviews with villagers, we know that workers in the construction industry are mainly men 40–50 years old, and that the younger generation prefers lighter work. Some children drop out of school before reaching the legal working age. Since it is difficult for them to find a stable job, their parents often send them to construction sites where their relatives or friends can help them find some work and get some training and experience. At the job sites they are usually not assigned heavy work and instead perform tasks that will lay the foundation for future career choices. Some young people who do not continue on in the construction industry nevertheless tend to take up work in construction-related industries, such as plumbing and electricity, building maintenance, and the like. In any case, the relatively high income in the construction industry overall still has great appeal for peasants.

Aside from work in the construction industry, the jobs nongmingong engage in are becoming increasingly diversified. The new generation, especially, seek skilled jobs, and many of them choose to study in technical schools to acquire a skill, such as lathe operator, excavator operator, automobile mechanic, or cook. Compared with the construction industry with its low entry threshold, skilled jobs are more stable and their wages generally are not too low. In addition, some skilled workers can jump out of the informal sector and get formal jobs. For example, a job qualification certificate can help a cook land a job in a high-end hotel, although such cases are not common. Most young people still prefer to work for a company and land a stable job. Of course, this does not mean that these jobs are a form of formal employment that comes with the "five insurances and one fund" 五險一金, that is, a

¹⁷ See the website of the National Bureau of Statistics of China: http://www.stats.gov.cn/tjsj/zxfb/201604/t20160428_1349713.html.

basket of benefits consisting of a pension, and medical, unemployment, workers' compensation, and maternity insurance, plus a housing fund.

Zhaicheng's lack of TVEs enterprises drives many young people of the village to distant locations in search of work. In recent years, many companies have come to the village to recruit workers. Via this route, Xiao Han (alias) and a few other people of the village went to a shoe factory in Baoding five years ago. That factory, in the Anxin county countryside, is one of a cluster of shoe-making private enterprises. Since it is about a four-drive from Zhaicheng, the workers there seldom come back home. They were initially paid RMB 3,000 a month, which was gradually increased to about RMB 4,000 a month. But strong competition from plants in Handan, Shanchuan, and elsewhere led to both a loss of business and stagnant wage growth. High wages require high output—it is said that when there were orders, workers had to put in 14–15 hours a day, from 7 am to 11 pm, with only two hours of breaks. The shoe factories involved are usually small, with the largest employing 200–300 workers, they usually do not provide labor contracts, and they retain three months of workers' wages and settle up by the end of the year. If a worker leaves before that time, the three months of wages will not be paid.

Something that happened in spring 2016 aroused many villagers' doubts about recruitment. Three or four months before we conducted our survey, a young woman from the village went to some other place with the recruiters who had come to the village. Then she disappeared. Although her family called the police, the police also did not find any clues and could do nothing. This caused waves in the surrounding area. In the opinion of some young people, it is because of a severe labor shortage that companies rush into the villages to recruit workers. These companies usually boast about how good their working conditions are and how well they treat their workers. It is not until one actually begins working in the factories that the actual, tough working conditions become apparent.

Township and Village Enterprise Employees Who Leave the Land But Not the Village

In general, peasants prefer “leaving the land but not the village” to “leaving both the land and the village.” Nonetheless, those who leave both the land and the village are far more numerous than those who “leave the land but not the village.” How can one account for this? According to E. G. Ravenstein, peasants “seek what is far and neglect what lies close at hand” in response to the pull of higher income and better living conditions in big cities. This is what accounts for the fact that 59.6 percent of Dingxian's migrant workers choose Beijing and Tianjin when they look for work outside the village.¹⁸ As for the “push” behind migration, peasants do not choose

¹⁸ Data source: Zhaicheng Resident Survey (January 2004), Zhaicheng Diagnostic Survey during the SARS epidemic (as of May 6, 2003), Dingzhou City Diagnostic Survey of the SARS Prevention Office (as of April 20, 2003) (from Zhang Donghui, 2009: 118–19).

local TVEs since such enterprises in North China, unlike in the Yangzi River delta, do not have a great labor-absorbing capacity. In comparing Zhaicheng and Zhaojiawa, it is obvious that because of Zhaicheng's lack of TVEs, many migrant workers (62 percent) become trans-city or trans-provincial migrants, while many peasants of Zhaojiawa (especially women) choose to work nearby (69 percent). Below, we focus on Zhaojiawa's TVEs to explore their role in the informal employment of peasants.

First, not all peasants are willing to work in nearby local TVEs when they can make more money by working outside.¹⁹ Nonetheless, some peasants do not take advantage of this opportunity. Why? Our survey found that the majority of workers in TVEs are middle-aged women as well as some older men. The reason for this can be summed up in two factors. First is an objective factor, *viz.*, TVEs are mainly labor-intensive light industries and do not require heavy labor—adult women can meet the demand for this kind of labor. From the subjective perspective, with the men of the family working outside, meeting the family's daily needs—such as taking care of the children and the elderly—requires women to stay at home. Working nearby allows them the time and energy to take care of the family's daily needs while also earning some money to help with the household's expenses—a rational choice.

In addition, older men who have land sometimes choose to continue farming. In places like Zhaojiawa, where most of the land has been contracted out, older men can often find work in cooperatives, doing such things as spraying pesticides, applying fertilizer, weeding, and so on. Moreover, there is a large fertilizer plant in Zhaojiawa that employs male workers, including some older men.

Regarding welfare benefits, let us take Zhaojiawa's garment factory as an example. This factory operates according to the piecework system, that is "more pay for more work." On average, the maximum daily income is not more than RMB 100: for sewing workers, it is generally RMB 70–80, for packaging workers and workers who sew on buttons, wages are even lower: only about RMB 60. Zhaojiawa's garment factory operations are also order-based, which means workers work only when the factory has orders; when it has no orders, they go home. But once a factory has orders, employees must work overtime. In other words, this is a very unstable, polarizing system. On holidays, work continues as usual, and there is no adjustment in pay, except the factory may occasionally provide some symbolic compensation by giving workers some grain or fruit and the like. None of Zhaojiawa's factories—the garment factory and workshop-like factories (making luggage, spectacle frames, etc.)—has labor contracts. However, since the factory managers are neighbors and familiar with their workers, it is rare that they would delay paying workers' wages. Workers believe there is no physical risk in their work, so although factories do not provide them with insurance, they themselves do not buy insurance either.

¹⁹ In 2015, the average annual salary of Zhaicheng peasants working outside the province was RMB 11,971 higher than that of peasants working within the province (data from our own questionnaire survey in 2016).

Concurrent Non-Agricultural Occupations

Unlike the two previous kinds of informal employment, concurrent business outside agriculture is a kind of informal employment that is extremely easy to overlook. This is because workers in this sector engage in non-agricultural occupations but do not completely abandon their land. In other words, they occupy an intermediate zone between completely “leaving both the land and the village” and doing nothing but “raising crops in the village.” According to the standards adopted for the national fixed observation spots, peasant households can be divided into four categories: (1) purely agricultural households, (2) type 1 concurrent occupation peasant households, (3) type 2 concurrent occupation peasant households, and (4) purely non-agricultural peasant households. Type 1 concurrent occupation peasant households, also called agriculture-*cum*-concurrent occupation households 农业兼业户, make their living mainly from agriculture but also have a secondary, or concurrent occupation. Type 1 households make 50–80 percent of their annual household income from agriculture, or devote more than half of the working time of their family’s rural labor force to agriculture. Type 2 households, also called non-agricultural households with sideline occupations 非农兼业户, mostly rely for a living on non-agricultural occupations, with agriculture as a sideline. Such households earn 50–80 percent of their annual household income from non-agricultural work, or devote more than half of the working time of their family’s rural labor force to non-agricultural jobs (Li Yanmin, 2005).

People with concurrent occupations are somewhat like the odd-jobbers of old China. That is to say, if neighbors have some temporary work that needs to be done, these people go and do work for them and get paid. The difference is that the people today who have concurrent occupations not only enjoy relative economic independence, that is, they can survive even if without a concurrent occupation, but they also are engaging in more specialized work than before. Tree diggers in Zhaicheng are a very typical example and epitomize a large occupational group that is involved in a wide range of jobs, such as transplanting saplings and planting trees.²⁰

Why do peasants not do their own tree digging but instead hire someone to do it? On the one hand, tree digging is technical work, requiring knowledge and skills about such things as how to dig up saplings, how much soil should be dug up with the roots, how to place trees after loading them onto trucks, and so on. All this knowledge can only be obtained through long-term experience. On the other hand, most peasant do not have sufficient household labor to finish the task within the time limits set by buyers, so they have to hire someone to do the digging. With the expansion of the area planted in saplings, nursery stock trading became increasingly common, and thus over time there appeared people who

²⁰ Daxinzhuang township is the largest site of seedling planting in Dingxian. Zhaicheng is on its periphery.

specialized in digging up trees. Nowadays, at a spot five miles north of Zhaicheng, every morning at about four o'clock some people with their own shovels in hand gather, waiting for tree buyers to hire them. In this way a spontaneous labor market has sprung up.

Generally speaking, people with concurrent occupations are not entirely connected to the soil, but they do have what could be called rural characteristics. Here we take tree digging as an example to explore this in more detail. First, to say that tree diggers are not fully connected to the soil does not mean they completely break away from the land: first, the trees—the object of the digging—are plants grown in the soil, but are cash crops, not grain. Thus from the viewpoint of economic activity, there is no essential difference between tree digging and working in a factory. Second, tree diggers themselves may also work their own land, planting either grain or seedlings. This leads to the second characteristic of these casual laborers: they often stay in the village. Since it is only in the local area that trees are raised, why is it that they are not entirely but only often in their home village? That is because people who work at digging trees for a long time acquire a whole set of skills related to trees, such as watering, grafting, pruning, maintenance, and so on, which are also needed in the cities. Mr. Mi from Zhaicheng, for instance, recently has finished a one-month job planting and watering trees in Beijing. His team has often engaged in short-term tree maintenance work in the periphery, in places like Baoding.

Finally, let us link up the concurrent occupation group represented by tree diggers and informal employment. In fact, tree diggers do not represent a new phenomenon since they share the characteristics discussed above with the seasonal migrant wheat harvesters of traditional agricultural society. With mechanization, the harvesters gradually receded from the stage of history and changes in the agricultural planting structure have led to the birth of new occupations. But these new occupations are broader in scope, since they involve work not only in the countryside, but in the cities as well. If we look beyond tree diggers, we see many similar concurrent occupations that can include jobs in both the countryside and in the cities, such as housing repair, well drilling, mechanical harvesting, short-term road maintenance, infrastructure maintenance, and so on. Since this kind of work is often scattered and intermittent, peasants tend to not completely abandon agriculture. In the case of both type 1 concurrent business peasant households, who mainly make a living through agriculture, and type 2, who mainly rely on off-farm work, the work involves a kind of purchase of labor (no matter who the main buyer is), and an economic exchange that has not been incorporated into China's national economic accounting. Such work is therefore a part of the informal economy.²¹ In addition, the nature of the work means welfare and benefits will be

²¹ According to the results of a survey of 100 households in Dingxian in 2011, 24 percent were engaged in an agricultural sideline occupation, while 46 percent were engaged in a non-agricultural sideline (Dingzhou Statistical Yearbook, 2011: 196).

meager, but wage levels vary with the type of concurrent occupation and the level of specialization.

Self-Employed Households

The last category of informal employment groups, self-employed households, differs substantially from the three categories discussed above. First, self-employed households make their living by using their own means of production (Huang, 2013). In that sense, they are self-employed. Second, self-employed households enjoy a broad choice of work patterns: they can leave both the land and the village, or not leave the land and home village, or leave the land but not the village. Third, although self-employed households are not a new phenomenon, because of social changes, the content of their work has changed profoundly. These changes include the disappearance of the category of rural self-employed households and, with the movement of peasants into the cities, the birth and development of individually owned businesses 个体经营.

In traditional agricultural society, many businesses were based on the household unit. According to a survey from the 1930s by Li Jinghan, the individual non-agricultural economic activities of Dingxian's peasants consisted of weaving, spinning, the sale of cloth, and peddling (Li Jinghan, 2005 [1933]: 160–61), which fully reflects the mode of agricultural production in the context of “men plow and women weave.” Since self-employed people of that time could not completely abandon farming, there were some fundamental differences with the self-employed in contemporary society. As an old man of the village said, young people today leave the village and do not want to do carpentry, blacksmithing, and the alike. At the same time, weaving and spinning have been incorporated into the mass production process and are no longer done by households. Therefore, many traditional types of self-employment have either disappeared or been transformed. Some self-employed have been successful with older types of business, such as breakfast stalls, pork stalls, and barbershops, obviously because they provide daily necessities or services. Moreover, some new avenues of self-employment have emerged, like communication business network shops, supermarkets, farmhouse restaurants, and electric appliance repair. These new businesses reflect the modernization of people's life styles. With the growing demand for services in big cities, many peasants have chosen to leave the village and, adopting various forms of self-employment, provide goods and services in demand. Let us consider a breakfast stall at a crossroads in Zhaicheng as an example to analyze the living conditions of the self-employed in the informal employment sector.

The breakfast stall in Zhaicheng opened in the 1980s and is still in business. According to the owner, it is open all year long except when there is heavy rain and during the Spring Festival. One might assume that self-employed getihu generally do not deal with people other than their customers, but in fact they have to register with the Office of Industry and Commerce Management, which inspects them once a month on average. If they fail the hygienic evaluation, they are to be fined

an amount ranging from RMB 500 to RMB 1,000. Although running a business with little capital is difficult, in the past these self-employed getihu were lucky in the sense that for more than a decade the state did not tax them, although in some sense fines were a substitute for taxation. On the income and expenditures of this stall, if 1 jin (1 jin = 500 grams) of flour is made into fried dough sticks, steamed bread, and stuffed steamed buns, and sold, the profit is about RMB 3. During the peak season, the stall uses about 50 jin of flour a day, and hence grosses about RMB 150. Deducting the cost of the necessary raw materials, like coal, electricity, edible oil, and others, the daily net profit is only about RMB 100.

The income of the self-employed depends on two factors: the number of customers and the number of competitors. The breakfast stall's customers are mainly local villagers and nongmingong from outside the village. Local villagers are a relatively stable clientele, but since Zhaicheng villagers do not make much, most of them have breakfast at home. Thus most of the stall's income comes from nongmingong from outside. In the past, when migrants harvested the wheat, there would be many people coming to the village to help harvest one month before the annual harvest. They usually had no time to cook, so the breakfast stall's business was very good: it made more than RMB 10,000 a month. With the decline in the need for migrant wheat harvesters, tree diggers have become a major clientele of breakfast stalls, but because of a severe depression in the local nursery stock business in the past two years, tree diggers have gradually begun to switch to other jobs, so that the stall's business is worse than ever before. As for its competitors, it goes without saying that the breakfast stall's business is not good now—with four breakfast stalls in Zhaicheng, profits are meager. Not only are breakfast stalls in the village barely managing to hang on, but pork stalls are also not doing good business (and some of them have closed). Before, they could sell the pork from one pig in a day, but now it takes three days. According to the stall owner, this is because villagers have a low income, there are no nearby factories, and working outside the village is becoming increasingly difficult.

The most common features of the four kinds of informal employment discussed above are low wages, low security, and low welfare benefits. This is basically in line with the International Labour Organization's definition of informal sector employees.²² Although wage income is related to the industry and region involved, in rural areas it is far less than that of urban formal employees in the same

²² According to the International Labour Organization, "workers in the informal economic sector have a low income and unstable jobs. . . . [Since] most of them are not registered with the official statistical agencies, it is virtually impossible for them to enter well organized labor markets. They are not entitled to formal education and training nor to the government's recognition, support and management. . . . They tend to carry out their business outside the legal framework, and at their places of business there is almost no binding social security, labor law, or labor protection measures" (quoted in Xie, 2011: 29).

industry. Furthermore, the self-employed put in longer hours than urban formal employees, which is also true of other informal employees, who often work more than the state's stipulated eight hours a day, sometimes reaching more than 15 hours, without compensation for overtime work. And they often work on weekends and holidays. If their jobs are dangerous, such as those in the construction industry, contractors or construction teams seldom sign a contract with workers and provide insurance. If there is an accident, the amount of compensation depends almost entirely on the contractor's goodwill. Due to the lack of state supervision and legislation on the informal economy, and the absence of labor contracts, when there are accidents or disputes, employers can easily evade responsibility. Thus although the vast number of informal employment groups have made a great contribution to China's economy and society, the workers themselves lack sufficient protection. This is harmful to informal employees' legitimate interests and also to the healthy and orderly development of the national economy.

Trends in Peasants' Informal Employment

The situation of peasants in the informal employment sector is not static. Their working conditions and income levels are not only closely related to changes in the external economic environment, but also to the transformation of the mode of production within the countryside. Below we look at the new situation of peasants in informal employment from the perspective of changes in the internal and external environment, and how these changes affect their employment choices.

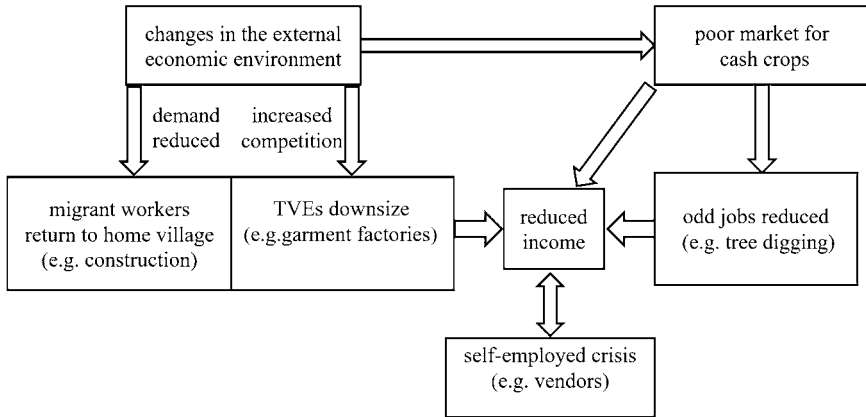
The Influence of the External Environment on Peasants' Informal Employment

The initial impetus behind nongmingong going off to work in cities was the urgent need for labor with the rapid economic development in China's urban area. However, the massive outflow of workers caused great changes in rural society. In other words, the external economic environment has promoted the rise of the informal employment of nongmingong while the subsistence conditions of the nongmingong has largely depended on changes of the former. Our analytical framework, illustrated in Figure 1, takes the external economic environment as an exogenous variable affecting changes in peasants' informal employment.

In this framework, we include four different types of informal employment and use income as a key link to illuminate how external factors systematically affect informal employment. The influence of the exogenous variables on each informal employment sector does not happen independently; there is actually a close symbiotic relationship among them, that is, all informal sectors are part of an interconnected system.

One obvious change in the external economic environment is that economic growth throughout China is slowing down, and this has significantly reduced the construction industry's demand for labor. In spring 2016, more than 40 people from Zhaicheng and nearby villages went with a contractor to Shanxi for some

Figure 1. The External Environment and Peasants' Informal Employment.



construction work, but they came back after only fifteen days. The reason was there was no work at the construction site, and moreover they had to pay for their accommodations themselves. According to construction workers working outside the village, work is not as good as before. In the past, construction contractors provided free room and board at the construction site. Nonetheless, contractors still could not recruit enough workers. But nowadays, there is at most five months of construction work a year and nongmingong are simply idle or on the road looking for work, and willing to pay for room and board themselves. The reduced demand for construction workers has led to a large number of nongmingong returning home, which means an important source of income for peasants has dried up. Township and village enterprises are also affected by fluctuations in the external market. Zhaojiawa's clothing factory and other workshop-like TVEs have all been faced with increasingly tough competition in recent years, and this has led to reduced orders. Some small factories have closed and others have scaled back the size of their workforce. In addition, wage growth is almost stagnant. From this point of view, the working situation of all nongmingong, both those who "leave both the land and the village" and those who "leave the land but not the village," is subject to the constraints of the external environment. As such, the result has been a reduction in their income.

As for agricultural production, many peasants have diversified their crops and now plant tree seedlings, medicinal herbs, and other cash crops instead of grain. However, the outlook for those crops is not entirely rosy. A shrinking demand has directly led to a decrease in peasants' income, and at the same time placed related occupational groups at a disadvantage. For example, a drop in the need for tree diggers has meant they have suffered a loss of income. A reduction in the household's income will naturally affect their expenditures, driving them to reduce their consumption of breakfast foods, meat, fruit, and so on. Finally, the self-employed

who rely on these customers have suffered. Shocks to informal employment brought by the external economy and market changes have resulted in a chain reaction that can reduce the living standards of virtually all peasants.

If the external economic environment improves and market demand rebounds, if peasants find work outside the village or suitable jobs in their local area, and if cash crops can be sold at satisfactory prices, then peasants' informal employment can be relatively stable. Only in this way can peasants enjoy a higher level of welfare and be treated the same as formal employees.

The Impetus for the Change from the Internal Management Mode to Informal Employment

Management inside the village basically refers to land-use patterns. In Zhaojiawa this means the contracting of land rights to cooperatives while in Zhaicheng it means raising cash crops. After land was contracted out, the main crop remained grain, whereas cash crops have been mostly raised on the basis of the household unit. Even in a single village, these two land-use patterns can also be carried out without conflicting with each other. For example, in Zhaicheng there are households that independently raise saplings and there is also land that is contracted out. The former pattern has not expanded due to the volatility of the market, while the latter pattern, with the outflow of young workers, has expanded year after year. Therefore, barring unforeseen changes, the large-scale circulation of contracted-out farmland will become the mainstream mode of management.

The scaled operation of farmland in China has benefited from the spread of agricultural technology and mechanization, especially in large plains, such as the North China plain, where replacing decentralized operations by households with scaled operations can come into full play. In the Dingxian area, people who contract land usually do so in the name of cooperatives so that they can claim their scaled operations comply with both the law and the state's land policy. Cooperatives and farmers in essence enter a contractual relationship with the cooperatives promising to pay rent (more than RMB 1,000 per mu per year), but peasants in fact are rarely involved in decisions on how to use the land and have no role in management. Of course, this does not mean that peasants are completely separated from the land, since the daily operations of cooperatives require a certain amount of labor. In this sense, scaled operations of farmland help to provide employment for some peasants, but although they still work the land they are familiar with, their relationship with the land has changed fundamentally: they are no longer land-holding peasants but wage-earning employees in the informal employment sector. More important is that after reaching scaled operations in rural areas, most people do not have land any more. Older people can choose to live an idle life at home and young people, free from worries about the land, can settle down to work outside the village. Therefore, it can be said that changes in rural land management encourage peasants to completely "leave the land," thus expanding the potential scale of informal employment.

Reviewing the changes in both the external economic environment and internal management reveals a contradiction between the two. Disadvantageous external factors tend to restrain peasants from leaving the village while the adjustments to the internal agricultural structure prompt them to leave. Hence, there is a tension. The result is that even if the external environment is not conducive to employment outside of agriculture, peasants gradually lose their land and thus have little choice but to “leave.” The interaction of these two forces has intensified the pressure on the subsistence of peasant in the cities and on the living standards of their families back in the village.

The Future of Peasants’ Informal Employment: A Continuation of Low Income and Low Security?

Deterioration of the external employment environment leads to reduced informal employees’ wages in two ways: a shortening of annual working hours and fewer job opportunities. Generally speaking, once workers’ wages reach a certain level, enterprises find it difficult to directly reduce their wages—even if business gets worse—to control costs, so they usually cut total working hours by laying off employees. When it comes to nongmingong, no matter whether they work outside the village in jobs with high instability (such as the construction industry), or in small TVEs that rely on market orders (such as garment factories), they all may suffer from weak market demand in the near future. Although employees’ wages can be maintained at the usual level, shutdowns will cut their annual working time and thus lead to a reduced income. This is actually a kind of frictional unemployment, because before finding the next job, workers not only will have no unemployment compensation, but they also must bear the economic cost in seeking new employment opportunities. In a buyer’s labor market where supply exceeds demand, contractors or company owners as labor buyers have the advantage in negotiations and price bargaining. Even if they do not reduce wage levels, they will look for other ways to maximize their interests, such as eliminating free room and board, increasing the intensity of work, and so on.

In addition to the impact of an imbalance between the supply and demand for labor, the weakness of legal protections also puts informal employees in a disadvantageous position. China’s informal workers generally do not have legal protection (Huang, 2010, 2015), and the Labor Law is only applicable to urban employees. Also, employers often do not sign a written labor contract with nongmingong and once there is a labor dispute, nongmingong have nowhere to go for help. Especially recently, as many small- and medium-sized enterprises have closed down, some employers have run away with their workers’ wages. Employers rarely provide insurance for workers in dangerous jobs. When a 30-year-old man from Zhaicheng working at a construction site lost some fingers in an accident—the cost of treatment was expected to about RMB 300,000—the contractor offered only a lump-sum payment of less than RMB 100,000. After much mediation by the village, the injured had no alternative but to accept the payment. When asked why

he did not go to court, the man's mother said they felt there was no one they could rely on.

Conclusion

A macro analysis can account for neither the mechanism that puts informal employees in a disadvantageous position, nor the specific characteristics and complicated patterns of informal employment. And the existing micro research has mostly investigated migrant workers in cities. It has failed to include other informal employees and has ignored the particular characteristics of peasants and their rural socioeconomic background. This article starts with specific villages and traces the history of the transition to and current status of local informal employment. It looks at two villages with different characteristics in order to uncover the different forms of peasant informal employment through comparison.

The number of nearby TVEs is a decisive factor influencing the pattern of peasant employment. Surrounding Zhaojiawa are several large TVEs, which can absorb a great deal of local labor and thus reduce the impetus for peasants to look for work outside the county. Zhaicheng, on the other hand, lacks TVEs, so more peasants choose to work outside the county, especially outside the province, which has led to a nongmingong group that "leaves both the land and home village." If we compare income, people who "leave the village" earn more than those who "stay in the village." The former mostly do dirty and exhausting work while the latter, by remaining in the village, are in a better position to take care of the family. But no matter what, the income of these two types of informal employees is lower than the national average, lower than that of urban formal employees elsewhere in Hebei, and lower than that of such employees elsewhere in Dingxian itself. As for the distribution of occupations, peasants working outside the county are mainly in the construction industry and usually do not have labor contracts and insurance. If they encounter a problem, it is difficult for them to seek legal protection. Peasants working in the local area are mostly in workshop-style light processing factories with low wages and long working hours, which often exceed the prescribed standard, and do not receive overtime pay or a premium for working on statutory holidays.

Changes in the mode of operation within villages have had a great impact on the forms and scale of employment of informal personnel. As Zhaicheng began to shift from growing grain to tree seedlings and other cash crops, a new occupation—tree digging as a sideline—was created. Tree diggers not only provide service in the surrounding rural area, but also work in cities at pruning, landscaping, and the like. Scaled land management in Zhaojiawa has resulted in the release of a large labor force and an expansion of informal employment opportunities. Changes in the mode of agricultural management have also affected management in other occupations. With the undeveloped agricultural technology in the past, growing grain required a great deal of manpower. Today farming is either fully

mechanized or grain has been replaced by cash crops. This has caused the disappearance of traditional occupations like migrant wheat harvesters which in turn has impacted the rural self-employed catering industry.

Peasant informal employment is not static. Macro research nonetheless often focuses on the increase of total informal employment, changes in per capita income levels, etc., without putting the various types of informal employment into a unified and integrated framework. In fact, regardless of whether the pattern is “leave the land” or “stay in the village,” changes in the external economic environment have a systematic impact on informal employment. By acting on the intermediate variable of income, the recent economic downturn has negatively affected all informal employees. At the same time, changes in the mode of internal management have made it very difficult for peasants to return to the production pattern of the past, not to mention the fact that many are not willing to go back to farming. As an internal driving force, this exacerbates the informal employment crisis. In this context, solving the problem of the internal and external tensions that peasants face becomes very difficult. The key is that seeking to treat the informally employed relatively fairly and expand the welfare and benefits they receive clashes with the very premise of informal employment. If this contradiction is not resolved in the short term, or cannot be overcome, one cannot be optimistic about improving the low income and increasing the security of peasants in informal employment.

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