

**Current State And Changes of Family Economic Function And
Family Educational Function in Urban And Rural Areas of China
During The Transitional Period**

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Source materials of this paper are based on the surveys conducted by *The Studies on Modern Families in Urban And Rural Areas* in 1998 in the locations of Shanghai City, Chengdu City, Qingpu County of Shanghai, Taicang City of Jiangsu Province and Yibin County of Sichuan Province. As far as we are concerned, economic function of urban and rural families is considered as a set of production and consumption. As production has not performed any function in most of urban families, it is nothing but refers to consumption in urban areas. In the following paragraphs, we will probe into family production and consumption and family education in urban and rural areas respectively.

I. Production and consumption

Several theoretical prerequisites of family consumption should be

taken into consideration. When we have a discussion on consumption from sociological point of view, it is important for us to bring it into the scope of family function, link it with the process of social development and the process of social change and approach it from angle of view of social culture. In particular, we should study on family abilities and levels of consumption, consumption behavior models as well as consumption concepts and psychologies.

In view of these, when we pay close attention to family consumption in urban areas, the first that we have noticed is the effect of social development on ability and level of family consumption, consumption behavior model as well as consumption concept and psychology. Social development in urban and rural areas of China is a kind of echelon development that has not been removed completely, which exists in areas at the same geographical position. It does have impact on consumption ability, consumption level and consumption behavior of the urban and rural areas that are at different levels of social development. While in other different regions, there have emerged disparities in the development of cities at same level and in same size due to interregional social division. These disparities of course do influence the consumption of urban families.

On the other hand, subculture is different in different regions, which undoubtedly affects consumption concept and consumption behavior of urban and rural families.

II. Characteristics of family consumption in urban areas

After 50 years of social changes, a kind of family system known as the conjugal equality and a relatively high degree in intergenerational dependence has been primarily established in China's urban areas (especially in big cities). With the studies on the system, we can find out several characteristics of family consumption in big cities.

The first characteristic is that family consumption in big cities highlights coexistence of and equal stress on the consumption with a family as the unit and the consumption with an individual as the unit, which is in other words a kind of structure that the two consumptions are separated sometimes and are combined sometimes and family members may be free and unstrained towards consumption to a certain extent.

The second characteristic is in line with the principle of "keeping expenditures within the limits of income". According to the surveys, a number of families in Shanghai and Chengdu feel embarrassed about

their living conditions, but all of them do not run into debt because they abide by the principle, cut down unnecessary expenses to the full and make use of money in the most necessary fields such as meals, rent, water and electricity and children's education. The replacement of durable consumer goods has thus been postponed. If possible, they must also do savings. By means of doing this, some families have saved money to buy houses. In addition, they have to save money in preparation for unexpected expenses, such as the expenses on old age, illness and marriages of sons and daughters (Sons and daughters may not make a request for money, but they will definitely give them the money because they bear the responsibility). Therefore, frugality is the guideline of economic management in those families, and it is impossible for them to conduct luxurious consumption. Obviously, this characteristic has reflected the consumption conducted by families with low income, salaried members or the old, weak, sick and disabled. The proportion of the families is not at a low level in urban areas.

The third characteristic is the multi-levels of consumption, which is decided by the division of urban family income. What the second reflects is the conditions of the families with low or limited income. But in urban areas especially big cities, there are families with very high-income indeed. In a family like those, at least one of the family members, either

the husband or the wife works in a non-state-owned enterprise (company) or is engaged in the second job, thus has a very high salary.

The fourth characteristic of family consumption in urban areas is realized as the restriction of social environments to consumption, which is the uncertainty of the influence on family consumption we have stated in the previous paragraphs in the course of the transition from planned economy to market economy. At present, unemployment and laid-off, medical security and support of old age have become big issues that are bothering urban families. Every family has to save certain amount of money in preparation for all contingencies if possible. For the parents whose child or children are still at school, educational consumption is a big and a long-term expenditure, which can not be imagined in the age of planned economy.

Therefore, family consumption in urban areas is obviously affected by the social transition from planned economy to market economy at present. Division of income is the most important reason to result in differences of family consumption in urban areas. In specific, the division has led to the multi-levels of consumption and the differences in consumption ability and consumption level. In addition, the restriction of social environments to consumption has strengthened. On one hand, there is a great

improvement in consumption ability of citizens in big cities due to the increase of income, thus durable consumer goods are very popular in urban families. On the other hand, owing to many uncertainties in the society of China at present, the citizens dare not to conduct “big consumption”. They have no confidence in future. What they can see is that they will pay much money for many things. These are the real facts of family consumption in urban areas.

III. Family production and family consumption in rural areas

One of the differences between an urban family and a rural family is that the rural family as an organization unit still performs or partially performs a function in production (The reason we call it performing or partially performing a function is that along with development of industrialization and labor transfer from rural areas to non-agricultural sectors, the function of family production is weakening or shrinking and the function of a family itself as an organization unit is weakening or is even disappearing in some rural areas). Therefore, family economy in rural areas contains two parts: production and consumption, and in particular, the consumption has a distinct characteristic of self-sufficiency. In the course of modernization, one of the great changes of family consumption in rural areas is a constant decrease in self-sufficient rate and more dependence on the outside market. Thus family economy in

rural areas should be considered and studied from the aspects of production and consumption.

1. Family production in rural areas

According to the survey materials, there are 27 families without any farmland in Qingpu County, which means that production function in those families could have shrunk completely (The reason we call it “could” is that some of those families may make use of a piece of land surrounding their houses to plant vegetables for them themselves). In Taicang, most of rural families have farmland. In Yibin, all rural families have farmland (Compared to Qingpu and Taicang, rural families in Yibin have both paddy field and dry land. Sweet potato is a kind of important grains for them). With regard to concurrent business, the families in Taicang are much more than those in other cities and counties concerned. In specific, there are 65 rural families engaged in the business, which means doing other things like transportation or arts and crafts besides going in for farming. Of course, such a circumstance does not imply that nobody in those families works in township enterprises. It just means that those families still give top priority to agriculture. Thus in the families like those, there is no doubt that the function of production is performing.

2. Family consumption in rural areas

The first characteristic of family consumption in rural areas is that although the consumption is something like urban consumption we have stated---sometimes is practiced in a separate manner and sometimes is conducted in a combined manner, and is a mixture of behaviors of family members and individual member, the “coexistence” lays particular emphasis on different aspects in different regions.

The second characteristic is known as multi-levels of consumption, which is reflected in the purchase of durable consumer goods in rural families.

The third one is understood as the combination of daily-life consumption and consumption on valuable goods or important matters. According to the surveys on consumption on valuable goods or important matters conducted in the past and at this time, the first and the most important matter of concern is not to purchase durable consumer goods but to build houses or manage marriages of sons and daughters. Learned from the surveys, house building has basically been settled in Taicang and Qingpu. Nowadays, popular consumption conducted by the young people in Qingpu is to purchase a commercial house with one living room and two bedrooms or with one living room and three bedrooms located in the heart of Qingpu Town or at small towns surrounding it. Peasants in Yibin

obviously are not powerful enough like that, although it is possible for them to build houses. About 1/3 of the interviewees built houses after 1980s. Although a few of them have built storied buildings, most families are still living at old single-story houses. Therefore, there exist disparities in consumption on housing in different regions or in different places within the same region. In addition, we have also noticed that there exists a big difference in the costs on housing between Qingpu and Taicang. At present, rural families living a fairly comfortable life have rebuilt and fitted up their old storied buildings, and also, it is not rare for us to find a single-storied house with a bathroom and a washroom.

Another “big consumption” is to manage marriages of sons and daughters. According to rural customs, if a young person makes money, he or she should hand over the income to the family head before he or she gets married (A family head is the unique person to support the family. The head may be the father or mother of a young person, or may be the elder brother or other relative). The head of a family certainly has rights of budgeting the income, but in the meanwhile the head definitely bears the responsibility of managing marriages of sons and daughters or marriages of younger brothers and sisters. In other words, income and expenditure are managed within the family as a unit. By abiding by the customs of paternal family institution, the family heads should be

responsible for marring off daughters and managing marriages of their sons. So it is necessary for them to build new houses for their sons, which is a great matter to be dealt with by all rural families and is a heavy burden that rural families should bear. Up to present, these customs have not been changed yet in most rural areas. Of course, as the age is different and also affected by economy, system and culture, there exist differences or even great differences in the consumption on marriages of a rural family in different regions and at different times.

The fourth characteristic of family consumption in rural areas is realized as frugality at ordinary times in preparation for lump-sum consumption. We know that daily-life consumption in rural areas is quite different from that in urban areas. For instance, due to living in the countryside, rural families have no expenses on housing and food. Therefore, the consumption on their daily-lives just includes expenses on water and electricity (telephone fees if a family has a telephone), expenses on paying a visit to their relatives or friends (may be more than ever before), expenses on children's education (are becoming more and more) and expenses on purchasing daily-life commodities. Only a small number of rural families that are not willing to go in for farming would buy grains, meat and vegetables, thus have an increase in the expenses. On the other hand, peasants who have suffered poverty in the past have

cultivated the custom of frugality. So they are very frugal in eating, clothing and daily-life commodities. However, they do not care about big expenses that are regarded by them as the consumption they should conduct (such as expenses on building houses, managing marriages, celebrating festivals and paying a visit to relatives or friends). For instance, the big and rapid increase in consumption on marriage in rural areas is caused by the pursuit of luxury among the peasants. Nobody is willing to cut down the expenses even if they have to borrow money from others, although they also understand that it is a heavy burden. At the moment, supports from relatives or friends, which provide necessary material guarantees to “the big consumption”, do have negative influences.