Impacts of labor migration for rural households in a particular setting in southwest China:

Resource Distribution and Second-Generation Migrants

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Abstract

This thesis studies the impact of out-migration of people from rural households in a particular setting in Yunnan Province, China, and the distribution of resources between these households. Household interviews were conducted and based on the data collected households were categorized, based on income, ownership, and consumption, in order to investigate the relationship between migration and household resources. Additionally, number of adult laborers in the households and size of landholdings were included, in the analysis, as factors that influence the distribution of resources between households.

The findings from this thesis to a large degree overlaps the findings of Murphy (2002); labor migration affect the distribution of resources between households, as households with migrants have a clear tendency towards being better off. Households without migrants show the opposite tendency and are more often situated in the low-level resource categories. However, this thesis finds that, based on Chayanovian-theory, number of adult laborers distributed between households is the main source of inequalities at the time of this single-moment study. Households with many workers have easier access to participate in migration. Additionally, findings show support of the argument that second-generation migrants are less loyal towards their households than first-generation migrants and contribute with less remittance back to the household. However, second-generation migrant households do not seem to be as dependent on receiving these remittances as first-generation migrant households.

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1 Introduction

1.1 Introducing the theme

Migration refers to a process of "...spatial separation between the location of a resident household or family, and one or more livelihood activities engaged by family members" (Ellis and Freeman, 2005: 6). For rural households, migration might be one important aspect of their *livelihood diversification*. Livelihood is not synonymous with income, though income is an important part of it. Rather, livelihood refers to the resources that together with household agency, determines the living gained by the household or individuals (Ellis, 2000: 10). Through engaging in different income generating activities, the household achieves livelihood diversification. Migration affects the livelihood of rural households in different ways and this thesis discuss how migration affects the financial capital of the household and whether or not out-migration reinforces or reduces inequality between households.

Today there is a growing recognition of the fact that migration and development is interlinked. The World Bank (2006) argues that remittances, which is money sent and brought back by migrants to their family and household, have become twice the size of international aid flows and are a more stable source of financial capital for the households involved.[1] Migration is increasingly seen as a very important part of rural poverty reduction in developing countries (OECD, 2005; World Bank, 2007). Migration increases rural household's access to capital through remittances, while simultaneously relives pressure in areas of predominantly agricultural activity, where land is scarce and there is plenty of labor like in China (Zhu and Luo, 2008). Remittances from family members are often used for investment in education and healthcare, which improves the human capital base of the household for future generations (World Bank, 2007). Though there is little doubt about the positive impact of migration for the households that are involved, there is much more uncertainty about the effects for distribution of resources between households in these areas (de Haan, 1999; Ellerman, 2005; Lipton, 1984; Murphy, 2002). The focus of this thesis is how out-migration affects the distribution between households in a particular setting in rural China.[2]

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[1] Kapur and McHale, 2003, make a similar point.

[2] The research of this thesis was done as part of a collaborative project between my university, NTNU, and World Agroforestry Centre (ICRAF) in Kunming, China. During my time at ICRAF's offices in Kunming I received extensive support.

Some argue that inequalities increase due to migration since "the poorest of the poor are not the typical migrants" (Ellerman, 2005: 619; see also Lipton, 1984: 11 for a similar argument). The possibility to participate in migration depends on social networks and financial capital, to get information about work, and to possess the money needed for the journey and other initial costs, which makes the opportunities to participate in migration better for households and individuals that are relatively wealthy (Zhu and Luo, 2008: 4). Research shows that the income generated from farming, contributes to the income of households in an equalizing manner for households in the same area, while income from migration or local wage labor are a source of income differentiation between households, due to the fact that remittances and wage varies and only some households are able to participate (Lipton, 1984).

On the other hand there are those who argue that migration overall has an equalizing effect on the distribution of resources since "…remittance…reduces rural inequality as it disproportionately benefits the poorest households" (Zhu and Luo, 2008: 4). By participation in migration, households with surplus labor are able to utilize their workforce in a more efficient way and generate extra farm income (Murphy, 2002). Moreover, excess labor and scarce land resources, i.e. labor surplus, characterize the countryside in many developing countries. When people move, the labor to land ratio changes in favor of more land per worker, which potentially give households that does not participate in migration, more land to farm. Finally, households with too small plots to increase output and productivity significantly are able to diversify their livelihood and make the most out of the resources of the household by participation in migration (Ellis, 1998).

This thesis is inspired by Rachel Murphy (2002) and her research for the book *How Migrant Labor is Changing Rural China*. Both the approach taken, a micro-level investigation into the effects of out-migration, and the theoretical underpinnings of her work, inspired this thesis. Rachel Murphy (2002) looks at a host of issues in her book, and in chapter 3 she analyses the effects of out-migration for resource distribution between households. She distinguishes households based on a typology, where the income, ownership, and expenditures of households are indicators of the resources of the household. By distinguishing and labeling the households in this manner she is able to analyze the relationship between numbers of adult laborers in the household, size of landholdings contracted by the household and participation in migration of one or more household

members, and how these factors are related to the typologies of the households. This thesis will divide the households that were interviewed during the data collection using similar typologies as in Murphy (2002) study. This may allow a more detailed understanding of the relationship between participation in migration, number of adult laborers in households, and size of landholdings and stratification between households based on their resources.

Arguably, remittances is the most direct way households that have migrant members increases their resource base, and serves as a means for the migrant to display continued loyalty to the household and a commitment to return after working in the city (Ellis, 1998; Murphy, 2002: 161). Since remittances are such an important contribution to the income of the households involved, this is likely to have an effect on the distribution of resources between households with and without migrant workers. In a recent article by Pun and Lu (2009), they argue that the second-generation rural migrant workers, those born in the reform period roughly from the late 1970s and the 1980s, differ from first-generation rural migrant workers, migrants born in the 1960s and 1970s, with regards to their goals and priorities. They claim that second-generation migrant workers in China feel that their lifestyle and objectives cannot be pursued in the countryside, due to the large inequalities between rural and urban areas in terms of standard of living and life opportunities. As a result, the second-generation migrants fail to remain loyal to the household, according to the authors (Pun and Lu, 2009). One might assume that if migrants do not remain loyal to the household, they don't contribute with remittances, and if the household does not receive remittances, the effects in terms of reduced resources will be visible. These assumptions inspired me to look at whether systematic differences exist in remittance behavior between first and second-generation migrants, and if so, how this in turn affects the resources of the household and impact resource distribution.

The topic of redistributive effects of out-migration has not received adequate attention (de Haan, 1999: 27). Moreover, the conclusions derived from the literature on migration and inequality often varies depending on the approach taken (Brown and Jimenez, 2007: 3; Murphy, 2000: 966). In fact, there is a lack of studies on *any* development effect for the migrant-sending community of out-migration (de Haan, 1999: 20). One way of approaching the potential impact of out-migration is to identify the most important factors behind inequality between households, and then investigate and analyze how migration interacts with other factors of resource distribution. In other words, by studying differences between households in terms of resources based on their demographic composition, size of

landholdings, and participation in migration, one is able to understand the relative importance of participation in migration as a stratifying factor.

Rachel Murphy's (2002) micro-level study in rural China followed such an approach. By studying how three factors; number of adult laborers, size of landholdings, and participation in labor migration, affected the resource level of households, she addressed the question whether out-migration and the resources sent back by migrants have a strong relationship with level of resources of the household. Such a study is a constructive contribution to the current knowledge about migration and inequality because evidently, if one is to fully understand the relative importance of participation in migration as a stratifying factor, one should look at the relationship between several different factors that determines the resource level of the household. The focus of this thesis is on the relative importance of out-migration for resource distribution between households. Perhaps other factors, like number of adult laborers or size of landholdings, contribute more to the difference in resources between households than participation in migration. The migration process might also affect different households differently, depending on whether their migrant members are first or second-generation migrants. Rural households are engaged in livelihood diversification and inequalities between households are best explained by how assets like capital, labor, and land are distributed and utilized by households (Ellis, 1998; Murphy, 2002). This thesis will explore the effects of migration on the distribution of resources between households.

1.2 Objective and justification

The research objective of this study is to contribute to an increased understanding of how out-migration affects the distribution of resources between households. To reach this objective I have compared households with and without migrants in order to determine the relative importance of labor migration compared to size of landholdings and demographic composition of the household, to determine the relationship between different factors of the household and their resources. The focal point of this thesis is migration from rural areas to urban areas in China, and the effects of this labor migration on the sending area in terms of inequalities between households. To reach the research objective, two units of analysis have been selected: households that participate in labor migration, and households that do not have labor migrants in their household Additionally, by developing a typology of households with five different types of households found, divided based on their resources, makes it possible

to analyze how different factors of the household relates to resource level of household and to determine how various sources of stratification contribute to inequalities between households. The following research questions will be asked:

Among rural households in the study area: *a) Is there a relationship between size of landholdings and number of adult laborers and resource level of households? b) Do second-generation migrants remit less than first-generation migrants and is there a difference in the resource level of households with migrants based on this assumption? c) Is there a difference between households that have migrants and households without migrants in terms of resource level?*

The data collected reveals distribution of resources between households captured at a specific moment in time. The thesis will not discuss how the impacts of migration on resource distribution develops over time, and neither will it try to investigate subjective process of migration, or aim at making generalizations for a large population. Rather, by doing a micro-level study this thesis contributes to the literature on the relationship between migration and inequality in the migrant-sending area. Hopefully, this thesis will be a constructive contribution to the study of how participation in migration interacts with other factors of stratification between households, which is number of adult laborers in the household and size of landholdings contracted by the household. Moreover, as this thesis is inspired by the approach taken by Rachel Murphy (2002), and by using a similar approach, some comparable results emerge. The research questions are analyzed in relation to the household typology.

By including additional factors that have an impact on the distribution of income between households in addition to participation in migration, the relative importance of migration might better be explained. If no relationship is found between participation in migration and difference in resources between households, what does then contribute strongest to difference in resources between households? This study includes households with first and second-generation migrants in order to compare households based on migrant generation characteristics. Further, this thesis aim to understand the relationship between the resource base of households and whether the migrant in the household is a first or second-generation migrant. Moreover, we might better understand how different factors affect resource distribution between households and whether there are some factors that contribute more to inequalities than others. By investigating whether different generations of migrants contribute differently with remittances to the household and the impacts of not receiving remittances for second-generation migrant households this thesis hopes to contribute to an

increased understanding the relative importance of remittances as the most direct effect for households participating in migration.

de Haan (1999) stresses that we know more about the impact of migration for receiving communities of migrants than for the sending communities of migrants. Consequently, researchers call for more focus on the areas of origin, i.e. the community migrants' leave, both for China and other developing countries (de Haan, 1999; Hare and Zhao, 2000; Murphy, 2002). Academically, this thesis is a contribution to this knowledge-gap, as it has the perspective of the migrant-sending households and looks at the effects for the households. In order to understand the development potential of out-migration for the migrant-sending communities the effects of migration can be understood as a force that increases or diminishes inequalities in the sending area. What we know about the impact of out-migration on resource distribution derives mainly from economic theory (de Haan, 1999). Instead of "keeping one variable constant" and trying to measure the effects of out-migration on resource distribution independently of other factors, the aim of this thesis is rather to analyze how the way that number of adult laborers and size of landholdings contracted in households is distributed between households, interacts with migration and affects inequalities between households. Through studying the effects of migration on resource distribution in the migrant-sending communities and the difference between household's resources by migrant generation, this study might identify bottlenecks and positive effects on resource distribution. Hopefully this thesis will contribute to more scientific knowledge about the development potential of migration for the communities of origin. This might lead to important policy implications that can reduce inequalities between households.

1.3 Case selection and fieldwork

The data for this thesis was collected from December 2008 to February 2009 in Yunnan Province, in southwest China, by doing household interviews and mapping out some characteristics of every household in the four teams (*zu*) randomly chosen.[3] The area chosen, Songhuaba Watershed, is an area with little industrialization and few local opportunities for rural households to diversify their livelihoods, due to the status as a protected area of environmental considerations (Conversations with Kunming-ICRAF academic staff,

[3] In each village in rural China there are working teams or groups (*zu*), which often consists of between 30 to 200 households who are under the same administrative leadership. Each team has a group leader who is assigned tasks by village committee like mediating disputes, improving rural incomes, and organizing labor (Murphy, 2002: xvi).

December 2008). Due to Songhuaba's status as a protected area, labor migration is for most households the only way to generate non-farm income. Remittances were therefore expected to have visible impacts on household's resources, which makes Songhuaba an interesting place to study the effects of out-migration. On a larger level, Yunnan Province has important characteristics in terms of rural economic development due to its relative poverty, with 57 percent of its counties below the poverty line and 84 percent of its population defined as rural (Weyerhaeuser et al., 2006: 11). The per capita annual net income of rural households for Yunnan in 2003 was 1697 Yuan (Yunnan Statistical Yearbook, 2004: 272). Songhuaba belongs to, Songming and Panlong County, and approximately 80,000 people live within these two counties, which are part of the provincial capital of Yunnan; Kunming (see map). Since migration is close to being the only non-farm income generating activity that households in this area are able to engage in, my supervisor and partners for this project at the ICRAF office in Kunming advised me to choose this area to conduct the study.

Map of Yunnan 1

1.4 Outline of thesis

This thesis begins with contextual framing of both the study area and Chinese development in the reform period. It is done to provide a background of Chinese rural development and internal migration. Further, by introducing the study area, the thesis will map out some of the administrative structures, which serve as a foundation of discussing how the data collected on four different teams is aggregated in the analysis. In section 2.3 the typology of households based on income, ownership and consumption is explained. This is included before the theory section because the household typologies forms the foundation of much of what is subsequently theorized on.

The next chapter opens with a short review of the labor migration theory that discusses household's decisions to engage in labor migration, and the impacts of these decisions for economic development. In section 3.2 a livelihood approach to studying the agency and practices of rural households is introduced, which focuses on how decisions to migrate are taken within a broader set of considerations, and how different households have different levels of assets and access, both to diversify their livelihood and to pursue their goals. Section 3.3 gives a conceptual definition of resources in the way it is utilized in this thesis. In the last section of chapter 3 the analytical approach and framework is presented, i.e. what is the theoretical relationship between different factors of resource distribution for rural households, how can differences between the first and second-generation of migrants in China account for differences in household's resources, and an overview of how the analysis is conducted.

In chapter 4 the methodology of this thesis is explained, with weight on research methods, case selection, validity of approach, reliability, and how the data was processed. In chapter 5, findings and analysis of the relationship between the number of adult laborers in households and size of landholdings in relation to the resource base of the household, is presented. How size of landholdings and number of adult laborers affect the resource level of households will be addressed here. Chapter 6 begins by looking at potential differences in terms of remittances sent home between first and second-generation migrants in the data for this thesis. Further, the question of whether there seems to be a difference in level of resource between households with first and second-generation migrants will be discussed here. In section 6.2, this thesis study the difference in resources between households with and without migrants, and if migration perpetuate inequalities between households.

2 Study area and contextual framing

2.1 The Chinese context

After two years of internal struggle within the communist party, initiated with the death of Mao Zedong in 1976, the reformists, led by Deng Xiaoping, pushed through economic reforms that would transform China and have major impacts on the global economy. The first major reform, initiated in 1979-80, was the abolishment of collective production units in agriculture, which were called *people's communes*, and the introduction of a system where the household again retained its place as the basic economic unit in China, under the *household responsibility system* (HRS) (Roberts, 1997: 259; Unger, 2002: 99ff).[4] As a result the farmers had new economic incentives to increase grain output as the surplus accumulated through production now, increasingly during the first years of the 1980s, could be sold on the market or to the government at higher prices than the basic quota (Unger, 2002: 110 ff). Productivity gains in agriculture created a labor surplus in the agricultural sector, which was rapidly absorbed by the emerging labor-intensive manufacturing sector, through rural to urban migration (Li, 1996: 1122; Roberts, 1997: 253). Additionally, the amount of arable land measured per capita shrank dramatically in the period between 1957 and 1977 with 7.5 percent, and in the decades afterwards arable land per person continued to rapidly decrease (Solinger, 1999: 154ff)[5]. Thus, both changes in the rural and urban sectors contributed to the instigation of a radical increase in rural to urban migration during this period. Another important change that took place simultaneously was the gradual relaxation of enforcement of the *Hukou system* (Unger, 2002: 120). The *Hukou-system* is a household registration system, much like the international passport-system, where people are ascribed a status as either rural or urban citizens following their parents status, and agricultural or non-agricultural status, and is a mechanism created to regulate the mobility of people, especially from rural to urban areas, and to prevent mass exodus out of agriculture (Gaetano and Jacka, 2004: 15; Murphy, 2002: 32).

[4] Jonathan Unger (2002: 97ff), in his book *The Transformation of Rural China,* describes in a very detailed and illuminating way how local government officials took initiative to start experimenting with the household registration system without the central governments knowledge at the end of the 1970s and how this became official policy after its initial success

[5] Although the arable land per capita decreased the large number of out-migration might potentially have countered some of the pressure.

Previously workers would get arrested and detained for working outside the area of the ascribed Hukou. Neither could they buy food or other necessary goods, as everything was distributed by the state through coupons, which one needed an urban Hukou to get (Liang, 2001: 500; Unger, 2002: 120). This changed with the opening of a market in urban areas with the reforms that started at the end of the 1970s (Zhu and Luo, 2008: 5). Still people are detained and from time to time, the government expels hundreds of migrant workers in the city, lacking a local Hukou. But this is rather rare and most of the time migrant workers can stay in the city without facing conviction, though their legal rights are limited and they face different sorts of discrimination in the city (Chan, 2008: 111; Solinger, 1999). These macro-structural changes have profound effects on how peasants diversify their livelihood, through adding to their choices and opportunities, and the ways goals might be pursued.[6] Venturing to cities, urbanized areas, export-processing zones, and other areas where industry and service sector is growing, has become one very important strategy and possibility for peasants to increase their resources. The staggering number of 200 million migrant workers, 120 million of them is categorized as rural migrant workers, displays the degree to which migration has become an important source of livelihood diversification (Chan, 2008: 97; Murphy, 2002: 9).[7]

While the first-generation migrants, who were born in the 1960s and 70s, were mostly motivated by economic goals for *dagong*, which is defined as leaving out to work (wage labor), often the second-generation migrants seems to be equally motivated by personal development and widening one's horizon for going out to work (Pun and Lu, 2009). Although the Hukou-system hinders second-generation migrants to resettle in the city, they still have an urban outlook and do not necessarily envision their future life in their community of origin. Realizing dreams and aspirations in rural areas might increasingly become less possible for the second-generation migrants as the differences in terms of living standards and opportunities continues to grow between rural and urban areas (Pun and Lu, 2009).

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[6] Throughout this thesis the terms peasant and farmer will be taken to mean the same thing. Peasant is often used in China, *nongmin* 农民, and rural migrant worker is translated as *minggong*, which means peasant migrant worker (see Chan, 2008: 97).

[7] Counting migrants in China has proved to be very difficult, as it is in most places, and migrants and other categories of temporary visitors and travelers to the city that lacks a local Hukou has often been included in the same survey. However, there is little disagreement that the number of migrant workers currently amounts to around 200 million (see Chan, 2008 for a good discussion on counting migrants taken from different sources; see Goodkind and West, 2002 for an overview of the debate on the "floating population", Solinger, 1999 also writes extensively on this subject; see Xiang and Shen, 2005 for interesting information on how migration research in China emerged).

One of the basic characteristics of remittances is that they are a way for absent members of the household to display their continued loyalty to the household and their contribution to the household's welfare, which is part of the implicit contract between family members (Ellis, 1998; Murphy, 2002). While this behavior in terms of remittances is still the common norm and have been a pervasive feature of the first-generation migrants since their outlook was rural, and they envisioned their goals being realized in the rural community in which they came from, the second-generation migrants often "…failed to remain loyal" (Pun and Lu, 2009). Though Pun and Lu (2009) does not state it directly, one might assume that failing to remain loyal, means that the migrant has not contributed with remittances for the household in her/his absence, and the effects of his/her participation in migration for the resources of the rural household might possibly be different than for households with first-generation migrants.

2.2 Yunnan Province and Songhuaba watershed area

Yunnan Province is located in the southwest of China and had a population of 43 million people in 2003. The same year urban residents had an average disposable income of 7643.57 Yuan, while farmers had a per capita net income of 1697.12 Yuan in 2003 (Yunnan Statistical Yearbook, 2004: 35). Though these numbers might not be directly comparable they are the closest comparable numbers for rural and urban households in Yunnan. The Yunnanse farmer earned less than the national average for farmers in 2003, which amounted to 2622 Yuan (Yunnan Statistical Yearbook, 2004: 35). According to Yunnan Statistical Yearbook of 2004 (2004: 62) the agricultural population of the province amounted to 36,624,000 million people in 2003. Though many of these people probably are involved in other income generating activities in addition to farming, there is no doubt that the average Yunnanese is a farmer. Recently a leading bureaucrat within the government in Beijing claimed that the government is planning "…a massive "West-to-East" campaign to migrate 100 million farmers in the undeveloped western region to the booming eastern coast…" (Lu and Neilson, 2004: 13). Hence, while there are many farmers in Yunnan at the moment the government poverty alleviation plans envisions farmers moving out of agriculture and rural areas into urban areas.

Songhuaba Watershed area is, as mentioned earlier, a special designated area conserved for environmental protection, due to its importance as a water resource for Kunming City. Songhuaba is situated upstream from Kunming City. The activities and the way that farmers in Songhuaba carries out their livelihood activities affects the water of the

residents in Kunming city, which is the reason Songhuaba was designated to become a special environmental preservation area. In 2004 there were 74,382 people living in Songhuaba, which stretches across 2 counties, Songming and Panlong County, belonging to Kunming City government. Within Songhuaba there are 5 towns and 44 administrative villages. Within each village there are usually between 3 to 10 teams (*zu)* ranging from 20 to 200 households (conversations with Kunming-ICRAF academic staff, December 2008) (figure 1). In total there are around 270 teams in Songhuaba Watershed and the annual average income per person was in 2004 1662 Yuan according to the local government (Watersource Department of Kunming, 2004).

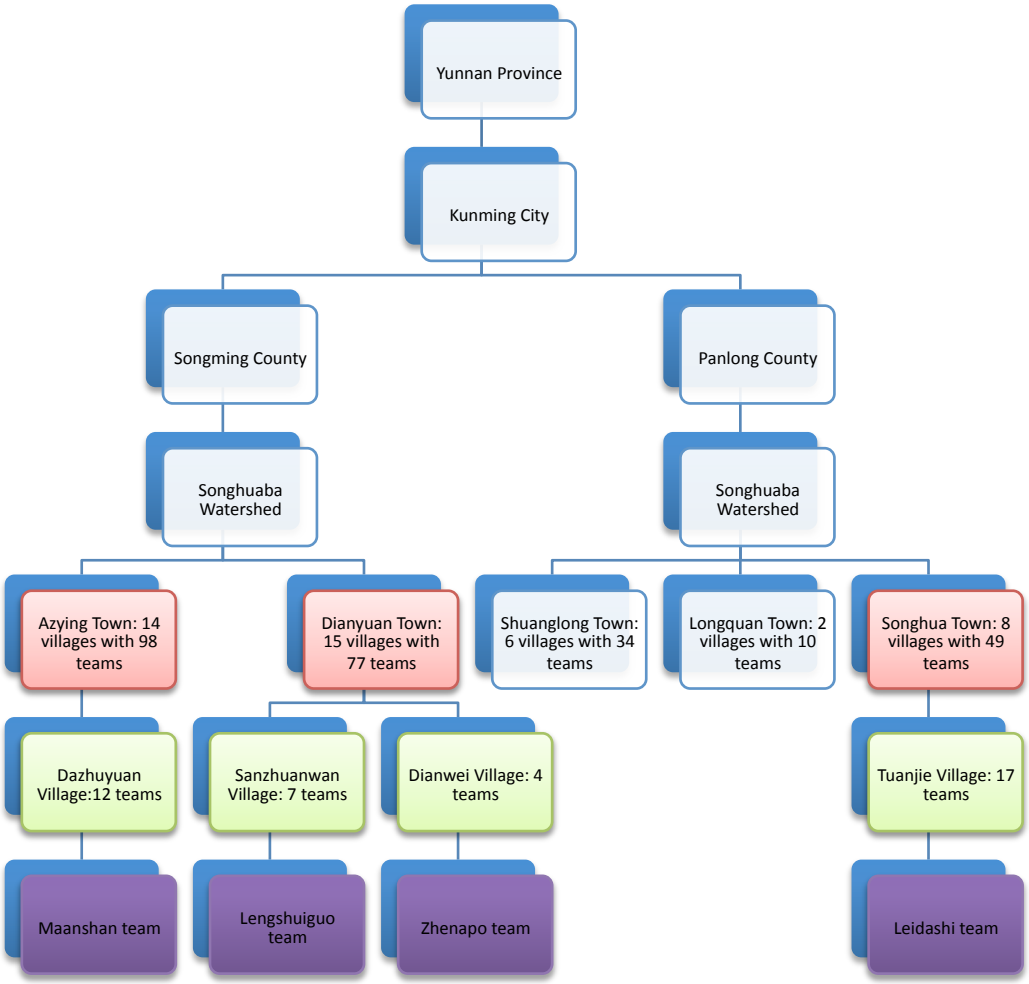

Figure 1: Administrative division of Songhuaba Watershed Area. *Source*: Conversations with Li Yunju, PhD candidate for ICRAF, January 2009; Kunming Water resource Department, 2004; Yunnan Statistical Yearbook, 2004. *Explanation*: Red color signifies administrative town of team chosen for this study, yellow color signifies village where the teams belongs to, and purple color signifies teams chosen for this study.

The data collected for this thesis is gathered from four different teams (Lengshuiguo, Zhenapo, Leidashi, Maanshan) within four different villages (Sanzhuanwan, Dianwei, Tuanjie, Dazhuyuan). While the focus of this thesis is the effects of out-migration on *household* level, it maybe useful to briefly look at the differences between the teams as the aggregated data comes from four different teams (see table 1).

Basic data on teams where data was collected

Team name	Lengshuiguo	Zhenapo	Leidashi	Maanshan
Number of residents*	188	115	200	189
Number of households*	50	26	70	41
Average income per capita (2004)**	867 Yuan	2311 Yuan	N.a.	1118 Yuan
Average income per household*	2000 Yuan	3300 Yuan	3000 Yuan	3430 Yuan
Number of migrants in team*	22	35	22	27
Number of households with migrant members*	15	19	18	19

Table 1. *Sources*: *Participatory rural appraisal Songhuaba, January 2009; **Kunming Water Resource Department, 2004

Three of the teams are comparable in size while Zhenapo team is slightly smaller, based on population and number of households. In Zhenapo team, there are relatively many migrants compared to number of households and the apparent reason for this is that the team is located close to the water resource area of Songhuaba. The government has expropriated most of the land contracted by this team. Since there are few or no local wage labor opportunities the farmers here have increasingly begun to make a living by engaging in migration (conversations with team members, January 2009). The number of migrants within the three other teams is comparable in size relatively to the population of the teams. Differences in average income between the teams, both in per capita terms and on household level, might derive from many different sources, like different quality of land, amount of remittances received, and difference in average size of landholdings.

Another factor that potentially contributes to differences in average income between the teams and households is government transfers. As Leidashi is below Panlong County's government and the three other teams are administratively under Songming County, the difference in average income might be explained by differences in government revenue and government transfers. However, the differences between the teams within Songming County are as big as between the three teams in Songming County and Leidashi team in Panlong County. Very few households reported that they received government assistance beyond the water area assistance, which every household received as a compensation for not being able to diversify their livelihood locally by doing business. This is a part of the larger government policy of returning 40,000 *mu* of farmland to reforestation (Bureau of Environmental Protection of Kunming City, 1988: 13). Only one household told us that they had a business of their own. Other households that reported government transfers as a part of their income, received money as a part of the government fight against poverty through poverty assistance to poor households (conversation with ICRAF academic staff, January 2009).

Further, differences in terms of resources between the teams could be explained by physical location or natural capital like water and production of different crops (Ellis, 2000: 32). There are some variations in the government compensation for different crops. For instance, the market price for tobacco and lotus-root differs to some degree (conversation with Kunming-ICRAF academic staff, December 2008). However, overall the stock of crops between the teams is similar, with *cai* (Chinese cabbage), *gu* (corn), *tu dou* (potato), *mai* (wheat), and a small amount of different kinds of fruits with *ping guo* (apple) being the most common (Interviews Songhuaba, January 2009). From this we can draw that strong differences in income between households due to differences in government transfers and types of crop will probably not have a strong impact. Access to water seems to be quite equally distributed, at least between households based on observation during the fieldtrips, though this factor has not investigated in a systematic way. Hence, there might be factors that affect household's resource endowments, which are unaccounted for in this thesis that one should have in mind.

2.3 Typologies of households

When determining the socio-economic status of households in her research, Rachel Murphy (2000: 967; 2002: 57) follows the recommendations of the International Fund for Agricultural Development (IFAD), and develops a typology of households based on gross income,

ownership of livestock, quality of housing, and ratings given to households by local *cadres*.[8] Arguably, such an approach is advisable when time-series data on development on household level does not exist. This thesis follows the same approach. However, as I lack data on quality of housing and ratings made by local *cadres*, I have included other measures. The households were categorized into five typologies based on their resource endowments; low, lower middle, middle, upper middle, and high. First, I tried to create a typology that included three different types of households. However, by developing more categories the nuances between households becomes clearer as there are many households that does not fully fit for the lowest category and neither in the middle and so on (table 2).

Category	Number	Characteristics
Low resource endowments	12	• Net annual income less than 1000 Yuan last year * • Own few animals • Owns 1 or less durable consumer goods ** • Receives poverty assistance from the government • More than 80 percentage of the income comes from borrowing money last year
Lower-middle resource endowments	19	• Net annual income between 1000 and 1300 Yuan last year • Own fewer than 2 pigs and have few animals in general • Own 2 or less durable consumer gods • Relatively large proportion of total income is from borrowed means, approximately between 50-70 percentage of total income last year
Middle resource endowments	24	• Net annual income between 1300 and 2000 Yuan last year • Fewer than 3 pigs and 10 chicken • Owns between 3 and 4 durable consumer goods • Utilized approximately 3000 Yuan on durable consumer goods the last decade.
Upper-middle resource endowments	16	• Net annual income between 2000 and 3000 Yuan last year • Fewer than 3 pigs and 10 chickens and have sheep or cattle in addition. • Owns 4 or less durable consumer goods • Utilized around 4000-5000 Yuan on durable consumer goods the last decade
High resource endowments	16	• Net annual income more than 3000 Yuan last year • Own more than 4 pigs, 10 chicken and own cattle or sheep in addition. • Owns more than 5 durable consumer goods and utilized more than 5000 on durable consumer goods the last decade • Saves money due to surplus in household income the last year • Owns business. • Lend other people money the last year

Table 2: Household typology. *Sources:* 87 household interviews Songhuaba, January 2009.

[8] *Cadre is "a person in a position of authority, such as a departmental head or a government or Party administrator" (Murphy, 2002: glossary).*

*** Some durable consumer goods are scarcer than others, and most households in the survey own a TV and washing machine, while few owns motorbikes and solar panel. Few households receive poverty assistance and few households saves money, owns their own business or says they lend other people money.**

**** In the survey we asked about ownership and spending on housing, TV, car, motorbikes, washing machine, solar panel, and additional durable consumer goods.**

***** The average spending on durable consumer goods for the households included in the research is 3000 Yuan the last decade**

The most important indicator of a household's resource endowments is gross income. This indicator weighed heaviest when in doubt of how to categorize households. Further, livestock ownership was included as an indicator for the relative socio-economic standing of the household, and was measured against the average number of ownership of pigs, cattle, and chicken. Moreover, ownership of durable consumer goods like motorbikes, cars, solar panel, and others, were included as indicators of socio-economic category. To determine whether a household owned and spent much money on durable consumer goods I used the average spending on durable consumer goods for the teams in question, and data on province level from Yunnan Statistical Yearbook of 2004. Finally, if a household was able to save money, or if a large proportion of the income from last year came from lending money, or received so-called poverty assistance, these indicators gave hints and influenced the socio-economic category the household belonged to.

3 Theory

3.1 The migrant as a rational actor

Sir Arthur Lewis, in 1954, introduced a theory that became very important for the study of labor migration. The basic assumption of his theory is that the economy is made out of two sectors, the "capitalist" sector and the "subsistence" sector (Lewis, 1954: 145). In the subsistence sector, which is the agricultural sector, the supply of labor exceeded the demand, i.e. a labor surplus sector (Lewis, 1954: 142). In contrast, the capitalist sector has a shortage of labor and excess supply of capital, i.e. a labor deficit sector. In such a system, migration will take place due to the differences in demand for labor in different sectors of the economy (Thirlwall, 2006: 188). Lewis (1954) was the first to predict and explain the movement of labor in general terms since Ravenstein wrote his laws of labor migration in the 1880s (Skeldon, 1997: 19). However, Lewis's theory soon came under attack. From inductive and historical accounts it became obvious that what happened in many developing countries in the post-World War II period, was large scale rural to urban migration, despite *large unemployment* in the destination area (Skeldon, 1997: 21). In other words, migration continued to flow from labor surplus areas or low wage areas into areas that had an abundance of labor and had unemployment. A new neoclassical economic theory was developed in the late 1960s in order to explain labor migration to labor surplus areas (Todaro, 1969).

In this new theory, the migrant is seen as a rational actor who calculate the difference between *expected* and *potential* earnings and the present income obtained in the rural sector (Todaro, 1969: 138). Thus, the migrant is an economic agent who engages in a calculus of two main criteria by evaluating "...the urban-rural real income differential and the probability of obtaining an urban job" (Todaro, 1969: 139). In this theory the difference in income and potential income for the individual migrant is the factor that gives the rational individual the incentive to migrate to the city, i.e. he is *pulled* to the city by the expected gains (Todaro, 1969: 140; Massey et al., 1993: 434). A central point is the fact that in Todaro's model the migrant is equipped with agency and is not merely understood as a function of a system.

Todaro's model and theory is still very influential despite being challenged by the new economics of labor migration approach from the 1980s. According to the new economics of labor migration, the decision over whether to migrate or not is not necessarily taken by the individual. In fact, the household is more often the basic economic agent, which allocates

resources (Massey et al., 1993; Skeldon, 1997). The household makes rational decisions on how to allocate labor, capital, and land (Stark and Bloom, 1985: 174). Moreover, the household may have different motivations and concerns when it makes its strategic decisions than the individual. It is usually very important to minimize risk, for instance by taking on a diverse portfolio of income generating activities (Ibid: 175). As most rural areas in developing countries lack private credit and insurance markets, and public welfare provisions like unemployment insurance, rural households are vulnerable for seasonal fluctuations and other external risks. Participation in migration is a way for households to mitigate or reduce these risks (Massey et al., 1993: 436ff).

This provides a quick and very brief overview, of some of the dominant theories that has tried to understand migrant's decisions, and how economic conditions both in the home and host community influence these decisions. In addition, there is a myriad of different approaches and interesting theories that exists in this field.[9] However, for the purpose of this thesis, these theories have been selected because they emphasize decision-making by actors, and how these decisions interact with conditions in the sending and receiving community of migrants. For instance the lack of insurance markets and lack of urban-to-rural capital transfers from the government, might increase the risk faced by rural household, which in turn motivates out-migration. The *potential* benefits of venturing to the city are also an important motivation for rural households to engage in labor migration.

3.2 Access, assets, and rural livelihood diversification

This section discusses conditions in the rural area that is important both for migrant household's decisions and their *access* to pursue their goals. It will hopefully provide an important context for the discussion on migration and inequality in the next section, and present some analytical concepts useful to the analysis in the latter part of this thesis; *livelihood diversification, access,* and *assets*. More importantly, in this section the household is placed at the center of the analysis.

As we saw from the new economics of labor approach, the household is usually the basic economic and social unit, which allocates resources and pursues goals (Stark and Bloom, 1985). Of course individuals also have their own goals, which may or may not, go against those of the household (Murphy, 2002). Nevertheless, the household is both the

[9] For an introduction and overview to different approaches to studying migration see Brettell and Hollifield, 2008; Massey et al., 1993; Skeldon, 1997.

administrative unit often used in analysis of rural conditions. It is a social arena of intense interdependence between its members, and a unit where individual action cannot be interpreted separately from the social and residential space it occurs in (Ellis, 1998: 10; Ellis, 2000: 18; Stark and Bloom, 1985: 174). The household can be defined "...as the social group which resides in the same place, shares the same meals, and makes joint and coordinated decisions over resource allocation and income pooling" (Ellis, 2000: 18). Further, the household is " ...a coalition of players committed by choice or custom to act as a unit *vis-à-vis* the rest of the world" (Ibid). The latter definition highlight the role of non-resident members of the family in contributing to the shared welfare of the group, and puts less emphasize on co-residence. Thus, this will be the definition deployed in this thesis.

Households are risk averse and cope with this by managing risk (Ellis, 1998: 11ff; Stark and Bloom, 1985: 175). The most common way for households to minimize risk is by allocating resources in a diverse portfolio of activities, captured by the term *livelihood diversification* (Ellis and Freeman, 2005: 7). Livelihood diversification refers to "...the process by which rural households construct an increasingly diverse portfolio of activities in order to survive and improve their standard of living" (Ellis, 2000: 15). Households engage in an active process to deploy strategies to minimize risk, often through diversifying their sources of income and by investing in a diverse set of assets.

Activities that rural households engage in are primarily different types of *farm income* like raising livestock and crop income. Secondly, *off-farm income* refers to wage labor on other farms and always within the agricultural sector. Finally, *non-farm income* refers to rural wage labor outside agriculture, either through self employment (business income) or other types, leasing land and property, urban-rural remittances, and other forms of urban-to-rural transfers like pensions, subsidies, formal loans, and welfare provisions (Ellis, 2000: 11ff). These activities were included in the questionnaire prepared for this thesis. Later on, this thesis will seldom distinguish between this subset of income-generating activities, except remittances. However, it is important to acknowledge the existence of a diverse set of income generating activities that households undertake. As there are very few local *non-farm income* opportunities in Songhuaba, this thesis assumes that this is not an important stratifying factor.

Assets have several components in the livelihood framework, namely natural capital, physical capital, human capital, financial capital, and social capital (Ellis, 2000: 8). Some of these assets are external to household's control, like natural capital, which broadly refers to the natural resource base of the household. Further, physical capital is assets created by human production processes, like land improvements and machines. Human capital refers to

education level and health status. Financial capital can be utilized to buy consumption and production goods as well as minimize risk by saving money or lending others money. Finally, social capital refers to networks and associations, which potentially might contribute to the livelihood of the household (Ellis, 2008: 8). All of these assets are included in the livelihood framework as separate analytical categories. However, this thesis will not adopt the livelihood framework as such, the focus is rather on the analytical category of *assets* by defining it broadly as resources the household draw on to reach their goals and meet consumption demands (Ellis, 2000). Arguably, land, labor, and capital are the most important assets of the household, and their distribution affect inequalities between households.

Assets that households might invest in include education, healthcare, technology for farming, durable consumer commodities like TV, motorbike/car, housing, as well as social assets like networks and social relations. Housing is very important in China in order to become attractive on the marriage market, to display social status, and as an investment. The families retain private ownership over their home as opposed to collectively owned land (Murphy, 2002: 91; Sargeson, 2002: 929).[10] For instance, Rachel Murphy (2002: 91) found that the priority area for most of the respondents in her interviews with regards to spending of remittances, house-building was the top priority. The state has recently become concerned with the rate and scope of house building in rural areas, since 5-6 percent of the arable land that has been disappearing each year over the last decade, goes to house-building (Sargeson, 2002: 929).

This point is emphasized because it is important to be aware of the way that investment in some assets, like housing, education, social networks and durable consumer goods will affect the *access* households command to reach their social and economic goals (Murphy, 2002). "Access is defined by the rules and social norms that determine the differential ability of people in rural areas to own, control, otherwise ´claim´, or make use of resources such as land and common property" (Ibid). Social relations like gender or class further regulate access to pursue a diverse set of livelihood activities, as well as the ability to benefit and participate in social and public services provided by the state such as education, health services, roads and others (Ibid).

For instance in China, many argue, there is a difference in access to public goods between the rural and urban population. The rural population does not receive many of the public services offered to the urban population like subsides for housing, good schools, and in

[10] Land in rural areas in China is owned by the collective, distributed by the team leader, and contracted by the household for at least 30 years (Murphy, 2002; Unger, 2002)

the past, food rations. These structural differences between rural and urban areas in China are enforced by the structural segregation of the rural and urban population through the Hukou-system (Selden, 1988: 143; Solinger, 1999: 154; Pun and Lu, 2009). The interactions between assets and access are often complex and affect the distribution of resources between households. Put in another way, the inequalities that exist between households are not static, rather, they are reinforced and changed through the dynamics of households that deploy their assets to increase access to livelihood diversification, and the access one has to livelihood diversification contributes to the assets found in the household.

According to A.V. Chayanov (Kerblay, 1986:liv), the asset that has the strongest influence on distribution of resources, at a given moment between households, is the size of the family. The reason for this is that larger families have the means to cultivate larger areas of land (Kerblay, 1986: liv). Households, which at a given time, has mostly adult laborers are more likely to be wealthy households (Chayanov, 1986). This assumption is confirmed in Rachel Murphy's (2002) study on impacts of labor migration in rural China. Moreover, in Murphy's (Ibid: 59) book she looks at how the number of adult laborers in the household determines the access that households have to diversify their livelihood by engaging in migration. She finds that households with relatively many adult laborers have more access to participate in migration and are more likely to have migrants in the household (Ibid). While households with a high number of adult laborers might be able to cultivate larger areas of land, diversify into different types of crops, and raise livestock additionally they also have more access to engage in wage labor, either locally or by out-migrating. Hence, labor is a very important asset and stratifying factor between households (Chayanov, 1986).

Land is another important asset for households in rural areas who often rely on it to either produce subsistence living or to produce an output large enough to sell on the market (Ellis, 2000). In China, land is owned by the collective and contracted by the household through the household responsibility system (HRS) (Murphy, 2002: 75; Selden, 1988; Unger, 2002). The contracts for land has until recently lasted 30 years and under the HRS each household have to fulfill its quota that the state buys (Oi, 1999; Unger, 2002). While people from the agricultural sector in other countries often participate in migration in order to buy more land, this is not a possibility in China since the household does not have private ownership over land (Murphy, 2002: 75).[11] Land is allocated by the village committee in

[11] It is important to be aware of the fact that farmers in China are to a certain degree bound to their land, not only by the Hukou system, since they have to fulfill a quota of grain that is bought by the government (Murphy, 2002: 74).

accordance with the number of members in the household. Readjustments of landholdings happens very seldom, so death and long time migration does not immediately affect the households land (Ibid: 74). The idea behind the distribution of land, based on the size of the household, is that the more family members means that more food needs to be produced, both for the subsistence consumption of the household and also for producing an output to be sold to the state through the quota system and surplus for the market. Hence, the extra land allocations that the households with comparatively more members get will not necessarily generate more income for these families.

However, as households have larger landholdings contracted their access to diversify the crops they produce and to produce fodder for raising livestock increases. Murphy (2002), found that land was quite equally distributed among households, and that the amount of land held by a household did not seem to have a strong effect on the economic status of the household. However, she found that households with more than 7 mu contracted, *mu* is the common unit of measurement of land in China, was less likely to be among the poorest households (Ibid: 79). Land is an important asset for households in rural areas in China, and the size of the landholdings of the household to some extent determines the access the household has to diversify their livelihood. Hence, size of landholdings to some extent might be a source of difference in resources between households.

A third asset that might account for difference in resources between households is *political contacts* (Murphy, 2002: 68). Political contacts with local party officials might increase chances of *access* to *local* employment, because local non-farm work is often controlled by the local elite (Ibid). However, based on my material and conversations with both informants and people doing research in Songhuaba Watershed, there are very few opportunities to participate in local wage labor, so that this will probably have a marginal effect on resource distribution in the study area. Another *asset* that might potentially lead to difference in *access* to participate in migration, is money for *initial expenses,* before the migrant gets her first paycheck (Murphy, 2002). There are some costs that the household must be able to pay when engaging in *dagong*, like traveling expenses, accommodation in the city before the migrant is settled and so on, and these costs might be a barrier for the most disadvantaged households. However, as Songhuaba Watershed is close to Kunming city, where most of the migrants of my survey go to find work, the extra costs involved are not substantial.

Finally, the *asset* of human capital, especially education, does in many countries affect the *access* that people have to get work (Ellis, 1998: 19; Murphy, 2002: 92). In China, on the other hand, at least until the financial crisis set in, there has been a large demand for labor in low entry jobs in urban areas, which makes level of education less of a stratifying factor between households. Kunming is a city in one of the poorest provinces in China, which further underlines the assumption that for accessing work in the city in low entry jobs, education does not constitute high barriers for the rural population in getting employment. Rachel Murphy's (2002: 93) research on rural China and effects of out-migration, finds that level of education is not a very important source of stratification between households. The above discussion is important as a foundation for understanding the way that out-migration of a household member interacts with other forces within the group and to be reminded that it is very difficult to analyze the effects of out-migration for resource distribution without looking at how other resources of the household contributes to inequality and difference between households.

3.3 Migration and household resources

According to Zhu and Luo (2006: 5), "in rural China, the credit and insurance markets are underdeveloped. Households have strong incentives to diversify their income sources". Hence, urban to rural transfers can be a very important source of capital for rural households. Especially in an area where there is a lack of local opportunities for wage labor and a general lack of industrialization (Murphy, 2002: 59).

It is a common assumption that most migrants send money back to their families, due to the social contract between the migrant and his household, and in the self-interest of the migrant (Ellis, 1998: 16). Studies shows that around 80-90 percent of migrants contribute with money to their families, through remittances, in so-called developing countries (Ibid). In China, around 50 percent of migrant workers send money back home, and they contribute with about half of their monthly income in average (Wong et al., 2007). Arguably, the most direct impact on household resources of participation in migration for the rural household is the remittances received (Stark et al., 1988). Remittances becomes an important asset for the household of the migrant, and assets of financial capital might increase the access that the migrant household has to diversify its livelihood by procuring more livestock, paying for other family member's education, and paying for the initial costs of migration for another

family member. Hence, the financial capital gained from migration potentially becomes a stratifying factor, especially in an area like Songhuaba where there are few local wage labor opportunities, low levels of industrialization, and remittances tends to be the main source of cash income (Murphy, 2002)

In other parts of the world, the financial capital gained from migration through remittances is often used for investment in agriculture mechanization and to buy land (Murphy, 2002: 72ff). Since transfer of land use-rights have been prohibited in China, until the new rural reform that just started to be implemented early this year, land contracts are not readjusted often*;* buying land has not been an option for rural farmers in China (Oi, 1999). Moreover, since the land is contracted to the farmers and they do not have private ownership over the land farmers are in general reluctant to invest in agriculture, even though the government encourages such investment (Murphy, 2002: 81ff).

When one or more members of the family leave the farm, this has important implications for the resources of the household besides receiving cash through remittances. Labor is reduced and the pressure grows on the remaining members of the household to produce the same output as before to fulfill their quota, and often to take care of migrant's children (Murphy, 2002). This might reduce the amount of land that the members of the household are able to cultivate. As a study from 8 villages in 4 different provinces in China argues, when some of the family members engage in *dagong,* the family struggles to produce the same output as before, and the income from agriculture are reduced (Croll and Ping, 1997: 137ff).

But again, "migration reduces the person-to-land ratio within families, and…enabled family members who remained at home to generate extra income from the absentees' land" (Murphy, 2002: 79). For the household, the expenditures are reduced when one of the members of the household migrates, and the income from agriculture might remain constant in addition to the income received from remittances. Hence the net effect for the households that have deployed some of their labor in migration could be very positive. The redistribution of land *between* households when someone is moving out temporarily to engage in wage labor is offset by the fact that the central government has issued decrees to make land tenure rights as predictable for farmers as possible (Tao and Xu, 2007: 1302). Frequent land readjustments might hamper the predictability and security needed for farmers to have incentives to invest in agriculture (Rozelle et al., 2002; Tao and Xu, 2007: 1306).

A micro level study, in Jiangxi Province in the east region, discusses how out-migration affects different aspects of the livelihood of rural households (Murphy, 2002).[12] Rachel Murphy (2002: 86) concludes that overall migration has a positive impact on resource distribution among rural households. The main reason for the redistributive effect of migration is that in China *dagong* or going out to work "…is constrained only by household composition, whereas local off-farm employment generally requires local political contacts or inherited family skills" (Ibid). Further, she (Ibid) argues that large households enjoy double advantages as they have many laborers, which enables them to participate in migration while at the same time they have larger land allocations than other households. As such, migration feeds into already existing inequalities.

3.4 Resources: assets and access combined

Resources are defined in this thesis as "…material resources (e.g., cash and commodities) and abstract resources such as contacts, information, and prestige" (Murphy, 2002: 10). In other words, resources is a collective term, which encompasses both *assets* like money, landholdings, livestock, and durable consumer goods, together with *access* to obtain more assets through social networks, information and knowledge about opportunities, as well as skills. As this thesis is limited in scope and time, this thesis focuses on material resources rather than abstract resources. In such a short term that the data collection for this thesis lasted "…it is difficult to assess accurately the extent to which a migrant has obtained skills, knowledge, or other resources" (Murphy, 2002: 126).

3.5 Migration and impact on resource distribution; a very short introduction

Looking at the literature dealing specifically with the effect in the migrant sending community in terms of distribution of resources due to out migration, the results are mixed (see de Haan, 1999; Massey, 1988; Zhu and Luo, 2008 for a review of the literature). In fact, most writers that I have come across have expressed concerns about the lack of research on this topic (de Haan, 1999: 27; Murphy, 2002: 6; Zhu and Luo, 2008: 6).

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[12] China is usually divided into three different regions, both in terms of policy and analytical divisions, though there has recently been argued that it is better to divide the regions into four. 1) East: Liaoning, Beijing, Tianjin, Hebei, Shandong, Jiangsu, Shanghai, Zhejiang, Fujian, Guangdong, Guangxi and Hainan Provinces. 2) Central: Heilongjiang, Jinin, Nei Mongol, Shanxi, Henan, Anhui, Hubei, Hunan and Jiangxi Provices. 3) West: Xinjiang, Qinghai, Gansu, Ningxia, Shaanxi, Sichuan, Guizhou, Yunnan and Tibet Provinces (Chan, 2008: 107).

In 1984 Michael Lipton wrote a very influential article in *World Development,* arguing, after doing research in India on the effects of out-migration on distribution in the migrant sending community, that while the migrant benefits from migration "…the village he leaves behind loses" (Lipton, 1984: 15). Here he criticizes the common belief of economists, that migration has an equalizing effect on differences, like urban to rural differences. He claims that since it is the most resourceful people that leave the poorest villages, and households will be left behind without benefiting from the improvements that by richer villages and households enjoy (Ibid: 7).

Moreover, since the migration process involves high costs, both in terms of lost labor, financial costs of travel and initial settlement before the first paycheck arrives in the city, in addition to lack of full information concerning opportunities, rich villages and households are able to gain and participate in migration due to rational choices, while poor households and villages mostly participate in migration as a result of externally introduced shocks like sudden loss of land or occupation/natural disaster (Lipton, 1984: 9). Finally, in terms of remittances the better off households and villages, in Lipton's (Ibid: 11ff) material, gain more due to the larger sums sent back by these household's members working in the city or abroad. Central aspects in Lipton's analysis relates to *migration decisions*. Do people migrate due to the perceived opportunities elsewhere, or due to lack of choice because of scarce land resources or other vulnerabilities in their home community.

In a study on how migration affects the distribution of resources in a rural setting, with fieldwork undertaken in Henan Province in the central region of China, Denise Hare and Shukai Zhao (2000: 156-158), reports that the poorest households are not necessarily those that benefits most from migration, but migration does have positive effects for the household's income. Additionally, in the same study they find that migration has a more equalizing effect on income distribution than local wage labor due to differential access to local work, something that corresponds with the observations made by Murphy (2002: 67ff) on different access to local employment.

Further, both Murphy (2002: 69) and Hare and Shukai (2000: 158) finds that allocating labor to migration gives the households much higher returns on labor than agriculture. This is mainly due to small landholdings for rural households in China, as land is allocated to households, based on number of adult laborers (Murphy, 2002: 74). A study of the effects of non-agricultural work for inequality on Hebei and Liaoning province, Nong Zhu and Xubei Luo (2006), concludes that non-agricultural work, without distinguishing between migration and local non-agricultural work, has an equalizing effect on income and that poor

households gain relatively more than wealthier households. These findings are explained by the authors by the fact that poor households are poor mainly because they have small landholdings, and that by engaging in labor migration the households are able to deploy their surplus labor more efficiently (Ibid: 21). A follow up study for Hebei Province, Zhu and Luo (2008: 23), concludes that "...remittances from migrants as a whole, considered as a "potential substitute" for home income, tends to have an egalitarian effect on earnings in rural China".

3.6 Migrant practices

According to Rachel Murphy (2002), rural migrant workers in China retain strong links to their families and the rural households that they belong to due to a number of reasons. Firstly, the rural migrant worker retains strong links with his natal community due to social exclusion in the city (Ibid: 161ff). Migrants are excluded and marginalized in the city mainly because of public policies that make it difficult and nearly impossible for most rural migrant workers (*minggong*) to attain an urban Hukou, both because of the legal hurdles that exists, but increasingly because of the high costs involved. There are many benefits of having an urban Hukou; access to healthcare, unemployment benefits and subsidized housing (Wong et al., 2007). Moreover, the media has frequently portrayed rural migrant workers as the root of new urban problems, like crime, and they are often seen as a threat to social stability, both by the media and by local residents (Ibid: 36).

Rachel Murphy (2002: 161ff) argues that the rural migrant workers retain close ties with their natal community and land because they search for social acceptance at home, due to the migrants continued "belonging" to the land through the Hukou system, diversification of risk by having land as a livelihood safety net, and his expected benefits on return. These factors contribute to a strong sense of family loyalty, obligation, and longing for acceptance and love in the countryside Murphy (Ibid: 42) argues. Hence, the migrant has a strong sense of interest and pride in contributing to the household's welfare, most tangible through remittances (Ibid: 204). Finally, the migrants have clear material and social goals that can be met by engaging in wage labor, and subsequently realized in the countryside, like buying a house and marrying, setting up a small business, paying for the education of a sibling, and acquiring durable consumer goods (Murphy, 2002: 88-118; Pun and Lu, 2009: 7).

Rachel Murphy did her fieldwork in the late 1990s and her description of the "typical" migrant might be more relevant to the first-generation migrant workers than the second-generation. According to new perspectives, based on ethnographic work among rural migrant

workers in the cities and urban workplaces, rural migrant workers in China, around 10 years after Murphy did her fieldwork, now define their identity more towards urban lifestyles and practices than towards the rural sphere they have left (Gaetano, 2004: 70; Jacka and Gaetano, 2004; Pun, 2005; Pun and Lu, 2009).

Pun Ngai and Lu Huilin (2009) propose an argument of two different generations of rural migrant workers, where they call the people who first migrated to the cities after the reforms in the late 1970s and early 1980s for the *first-generation migrant workers*. The first-generation rural migrant workers, or peasant workers as Pun and Lu (2009) calls them, were raised at the end of the Maoist-period and where the first to gain *experience* from working in the cities. The *second-generation migrant workers* "…refers to people who were born or raised in the Reform period, especially those who were born in the late 1970s and 1980s, and who entered the labor market in the late 1990s and 2000s" (Ibid: 2).

The most obvious difference between the two generations migrant workers is related to their accumulated work experience and life expectations, which translates into different practices (Pun and Lu, 2009: 3). While the former generation of migrant workers was more motivated by material and economic goals, the new generation of rural migrant workers are more pursuing "…personal development, freedom, and a different way of life" (Ibid: 7, see also Gaetano and Jacka, 2004: 17). Since the differences between city and countryside has widened, illustrated by the fact that in 2003 the per capita income averaged 2622 Yuan per person in rural areas and 8,472 Yuan for people living in urban areas, "…the urge to move out of the village and to transform the self is even stronger than it was for the first-generation" (Pun and Lu, 2009: 7). Hence, their loyalty towards their natal community is reduced and their dreams and aspirations for fulfilling their goals of self-development are directed towards a cosmopolitan and urban life (Ibid: 13).

Thus, the second-generation migrant workers may have less loyalty towards their natal community and are more oriented towards an urban lifestyle, especially if their goals and desires only can be accomplished in the city. The reason for this has to do with low living standards in the countryside and the rural-urban chasm. This contrasts somewhat with the dreams and aspirations of the first-generation, which saw their goals with reference to the rural life cycle and rural life in general, as portrayed in Murphy's (2002) work. If this argument holds true, an extension of it, which Pun Ngai herself briefly mentioned in a guest lecture held at NTNU university (Pun Ngai, 19.03.2009), would be that the second-generation migrant workers are less inclined to contributing to their rural household's welfare than the former generation with remittances.

3.7 Analytical approach

- *Analyzing research question one: Demographic composition of household and size of landholdings and their impacts on resources of the household*

Rachel Murphy (2002: 59ff) has chosen the age quintile between 15 to 55 years old as the age limit when comparing number of adult laborers between households. She looked at how many members households had in this age group, and how many migrants that were in the household (Murphy, 2002: 59ff). In this thesis households are compared based on demographic composition in terms of age, identifying the age group between 15 to 55 years old as the "adult working population", both because this is the age group used in public data, like Yunnan Statistical Yearbook, but also because by using the same indicator as Murphy did, it is possible to compare my findings with the results of Murphy's fieldwork. This thesis will analyze the relationship between the number of working adults and participation in migration, and the relationship between the number of adult laborers and socio-economic typologies to discuss research question one; *Is there a relationship between size of landholdings and number of adult laborers and resources?*

The next important factor that needs to be considered, when analyzing the resource distribution in a predominantly farming population, is size of landholdings (Murphy, 2002: 72ff). To analyze the significance of landholdings for household's resources and to challenge my own assumptions about the significant role of migration for the household's resources, this thesis will see if there is a relationship between households that have bigger landholdings and the resource endowment typologies made. By analyzing the relationship between size of landholdings and resources of the household, research question one will be answered: *Is there a relationship between size of landholdings and number of adult laborers and resources*.

The above discussion serves as a foundation for the analysis of the relationship between land and demographic composition of the household and the potential resources controlled by the household. Now let us move on to operationalize and further discuss the relationship between migration and resources controlled by households.

- *Analyzing research question two and three: out-migration and impacts on resources of the household*

First, migration might contribute to increased financial capital for the household through remittances. If the reasons for contributing with remittances towards their family have been

weakened, especially by the new generations experience of a chasm between expectations for life and the opportunities to meet these expectations in the countryside, one might suspect that the second-generation of migrant workers contributes with less money than the first-generation through remittances. An interesting question that arises is whether we can discover a difference in contribution between the two generations. If so, what is the impact for the households in terms of socio-economic development and what are the implications of this *change* in migration practices for distribution of resources and rural development?

The first-generation migrants are in this thesis operationalised as migrants from 31 years old and above, roughly those born in the 1960s and 1970s. The second-generation are operationalised here as the migrants in my data that are between 15-30 years old, those roughly born and raised in the reform period, which entered the labor market in the late 1990s and the 2000s (Pun and Lu, 2009). When a household had members of each generation working as migrants and doing *da gong* (paid work), I analyzed the household as either being in the first or second-generation category based on who contributed with most remittances based on the answers from the interviews. By analyzing the difference in terms of resources with first and second-generation migrants the thesis is able to answer research question two; *Do second-generation migrants remit less than first-generation migrants and is there a difference in the resource level of households based on this assumption?*

The last research question will be answered by looking at the relationship between participation in migration by one or more household members and household's resource category. By looking at the difference in resources between households with and without migrants this thesis will analyze whether households with migrants are better off than households that does not have migrant members. Moreover, by going behind the initial analysis this thesis aims at tracing the possible causes of difference between households due to migration by analyzing the impact of migration on the household's financial capital and landholdings. This enables the last research question of this thesis to be addressed: *Is there a difference between households that have labor migrants and those that does not in terms of resources and how is this assumed difference attributed to migration?*

4 Methodology

As this thesis deals with questions that need a detailed examination of causal mechanisms, the case study approach is useful. One of the strengths of a case study approach is the fact that it enables the researcher to "...look at a large number of intervening variables and inductively observe any unexpected aspects of the operation of a particular causal mechanism..." (George and Bennett, 2005: 21). Hence, it is easier to engage in an inquiry on the relationship between different variables, and thus the causal relationship between out-migration and resource distribution might be traced. Moreover, through *process tracking*, which is a process of determining the linkages between possible causes and the effects of these causes, the researcher is able to draw robust conclusions and exclude competing explanations on the causal relationship between resource distribution and participation in migration (Ibid: 6). In addition, the case study is valuable as it focuses on a small amount of cases, but allows for detailed investigations of causal mechanism in individual cases (Ibid: 21). In other words, it enables us to investigate the impact of out-migration on the distribution of resources between households in specific settings. Indeed, one of the basic foundations for the case study method is the capacity to address causal complexity (Ibid: 10). There are several difficulties related to this study, and I will deploy the case study method to try to counter these. As the aim of this project is to look at the distributional effects of out-migration on rural households in a specific setting in rural China, this study will use a comparative case study to analyze the effects of labor mobility on households. Both households with and without labor migrants will be studied in order to analyze whether out-migration has an effect on the distribution of resources.

One of the most problematic aspects in this thesis, is the determination of an eventual causal relationship between out-migration and resources contributed through urban-to-rural transfers in the form of remittances, and resource distribution in the migrant sending communities. This challenge derives mainly from the fact that data on household development do not exist for the households that were studied in this thesis. Lack of longitudinal data is problematic because the study will not take household development and changes into account, but merely present a static image from a certain time.

However, as Rachel Murphy (2002: 53) also experienced during her fieldwork, data and research over longer periods of time, is often non-existent on household level. In fact, there is a general lack of data covering historical development of households in rural areas of

developing countries (Ellis, 1998: 8). In an ideal situation, these data would be available, however, due to the limited amount of available data material on household level, we have to deal specifically with methodological obstacles. Many factors might affect the dependent variable, which is resource distribution between households. The case study approach, which enables the researcher to inductively investigate the linkages between several factors, has been chosen for this thesis (George and Bennett, 2005).

As this study is linked to a single moment of observation, some aspects of this research needs to be addressed. Migration might be caused by inequalities in distribution in the first place thus migration reinforce inequalities in the distribution of resources in the next phase. Hence, migration might be both cause and effect of inequalities in resources between households (Murphy, 2002: 53). This is at the core of the relative deprivation argument advocated by the new economics of labor migration (Stark and Bloom, 1985). By categorizing the households based on their resources into five different typologies, this thesis will track the relationship between migration and existing inequalities by looking at the relative importance of migration, demographic composition and size of landholdings for a household's resource base. By looking at the comparative importance of different factors towards the household's resources, both rural based such as size of landholdings, and urban-to-rural based, through remittances, the problem of process tracking is arguably countered.

One of the basic strengths of the case study method is that within a single case the researcher can explore a large number of intervening variables that a statistical study would miss (George and Bennett, 2005: 21). The relationship between the amount of adult laborers in a household, size of landholdings and household socio-economic typology is analyzed for the purpose of including other variables that might affect resource distribution. Thus, competing explanations are included to look at the relative importance of different factors for the resources household's possesses. The case study approach is very useful in this setting, as it allows a broad contextual framing (Ibid).

4.1 Research methods

The specific research methods applied in this thesis are household interviews and participatory rural appraisal. The research methods were chosen based on the ability to give both contextual and specific information on the questions that this thesis tries to answer.

- *Structured interviews*

I decided to use structured interviews, both due to the relative time effectiveness, but also because of limited language skills, which required the use of assistants.[13] Moreover, as no data on household level exist for the specific teams randomly chosen, interviews seemed like a natural way to gather the specific data needed. Structured interviews provided a clear structure. This way I could be sure that my assistants asked all the relevant questions and it secured comparability between households for the analysis. A standard textbook definition of structured interviews states that the questionnaire, where questions are prepared in advance, is the core of structured interviews. Further, the questions are presented in a specific order with standard alternatives for answers available (Grønmo, 2004: 165). The questionnaire that was used to conduct household interviews had clearly formulated questions, which were asked in a specific order.

Most of the questions provided the informants with options for answers, and an open category for other answers. However, to avoid that informants were "guided" to specific answers, the assistants were instructed *not* to read the options out before the informants had a chance to answer (see Grønmo, 2004: 168). By using a qualitative structured interview approach, the informants could explain and share their thought around the processes in question by the use of open-ended questions (Johannessen et al., 2005: 138). Additionally, by having a structured approach to common options for answers, together with the open-ended questions, the data gathered was easier to interpret (Johannessen et al., 2005: 138).

Another related advantage of doing structured interviews is that it became easier to instruct the four assistants how to conduct the interviews, what kind of information was most important, and to what degree we could reveal the objective of the research. In the design phase of the questionnaire, we pretested the questionnaire on two households some time before the actual interviews, in order to improve it by making it as relevant and explicit as possible (Grønmo, 2004: 181). This proved to be a valuable step, many unnecessary questions were omitted and others were rephrased.

In the end the questionnaire had four parts.[14] Part one consisted of general data on the household; demographic composition, type of crop produced, age and gender of household

[13] Without the help of Li Lan, Duan Xiao Qian, Ni Yong Fen, and Yang Wei Xia with conducting the interviews this thesis and study would not have been possible.

[14] I am extremely grateful to Li Yunju, PhD student at the ICRAF office in Kunming, for helping me with the design, the wording of the questions asked, for advising me to pretest the questionnaire, and the execution of the research.

members and informant, and ownership of livestock and durable consumer goods. This first part was valuable because the information attainted and it also served as an "ice-breaker" for the conversation between informant and student/assistant. Part two consisted of detailed questions related to expenditures and income. As it may be difficult to give gross estimates of complete annual income and expenditures, the questionnaire were designed to enlighten different sources of expenditure and income. In part three, the questions concerning migrants were asked; age, sex, time period out working, annual time working outside of home residence, monthly salary, and amount of remittances. The last part of the questionnaire consisted of questions on the impact of migration on agricultural work, social capital, and what kind of skills the migrants developed during their time in the city or nearby village.

When carrying out the interviews, the objective of the research was explained to the informants, *informed consent* were granted, my assistants explained the approximate length of the interviews, and of confidentiality (Thagaard, 2003: 11-12). In total we interviewed ninety-one households in four different teams. Only four of the questionnaires were not used in the analysis due to incomplete data. During the interviews the assistants were working independently due to my own participation in the rural area mapping (see below). However, we had as many communal meetings as possible during the day to solve and discuss issues that were problematic or unclear.[15] For instance, during the first day it became obvious that the last question in the questionnaire, on whether migrants got new relationships during their time working in the city that could be helpful in the future, made little sense to the students, so we sorted out the misunderstandings there.[16] In one team, Zhenapo team in Dianwei village, the students told me after they had interviewed 9 households that they felt that people in the team seemed reluctant to answer their questions. The team member's reluctance to answer the questions probably had to do with our arrival during dinnertime.

By using structured interviews as a research method, we were able to collect data on very specific characteristics of each household, which was important for categorizing the households prior to the analysis, but also data on motivations and practices of migration and impacts of migration for the household concerning income, work, and skills attainment for the migrants. To make sure that the households randomly chosen were representative for the

[15] The assistants had experience of doing household interviews from previous field trips.

[16] Originally I planned to do an analysis of the impacts of social capital and skills attainment on inequality between households, but due to the difficulties in determining this question with the limited time at my disposal I decided not to use this for the analysis.

teams and to get the whole picture of each team in terms of certain social indicators, the research also contained *participatory rural appraisal*.[17]

- *Participatory rural appraisal*

Participatory rural appraisal (PRA) is described as "…a growing family of approaches and methods to enable local (rural or urban) people to express, enhance, share and analyze their knowledge of life and conditions, to plan and to act." (Chambers, 1994b: 1253). Primarily this is a technique of involving local communities and humans in their own development, an empowering tool (Chambers, 1994b: 1253). Indeed, the approach has been called"… approach and methods for learning about rural life and conditions from, with and by rural people" (Chambers, 1994a: 953). One of the most tested and applied parts of this approach to development is participatory mapping. Participatory mapping is a way of either gathering information from several households and involve households in the analysis and subsequent action to change the conditions they live under (Ibid). The general idea is that local rural households themselves are best equipped to map out, both the social and physical part, of the local community. The involvement by local people is the central element in this technique.

While the assistants conducted interviews, I got together with Li Yunju, who is a PhD candidate doing his dissertation on Songhuaba Watershed, and several of the household heads, all of them male, to map out the physical structures of the village, for instance where each household was situated, the position of schools and shops, the cultivated land, fish pools, and the main road. In all but one team the team-leader and the team-secretary were central in this process.[18] Afterwards we filled in information regarding each household, which included age and sex of household members, their education level, and members of the households that participated in migration. By doing this I got a clear picture of how persons each team that had migrated, how many households there were in each team, the average education level, age, gender balance, and the average size of households in each teams. These maps serve as both a way to validate the results from the household interviews and to gather extra information.

[17] I am grateful to Xu Jianchu at ICRAF for teaching me this method. Li Yunju, from ICRAF, provided me with extremely important help to conduct the participatory rural appraisal.

[18] Each team has a team secretary who keeps track of the grain output and whether households meet the quota, pays the farmers for their quota, and keeps books over the population of in the team. These books were very helpful when we did the participatory mapping.

4.2 Case Selection

The foundation "…for case selection should be relevance to the research objective of the study" (George and Bennett, 2005: 83). Following a case study approach, the cases were selected based on the independent variable, which is out-migration. Selecting the observations according to the categories of the key independent variable is not considered an inference problem (King, Keohane and Verba 1994: 137). This type of selection will not predetermine the outcome. Thus, as we strived to select households that have deployed and households that have not deployed labor migration as a livelihood diversification strategy, this will not determine the effects of migration. 54 of the households that were interviewed and subsequently used as the basis for the analysis, had members who participated in migration, and 33 households did not have labor migrants. In each team we choose to interview minimum one third of the households to make sure that the households chosen were representative for the team (Table 2). Additionally, we had the data from the participatory mapping. The most important criteria for choosing households were that the households chosen had relevance for the research objective.

Team	Number of households	Number of households interviewed
Zhenapo	26	9
Lengshuiguo	50	29
Leidashi	70	22
Maanshan	41	26

Table 2. ***Sources:*** **together we interviewed 91 households and 87 of these interviews is the basis for the analysis and the typology of households.**

The villages were chosen randomly, while the teams were chosen based on their size, because one objective was to interview minimum one third of the households to make sure that the selected households were somewhat representative. Further, by inquiring local officials about number of migrants in the teams before making the final choices we avoided picking teams with very few migrants. The research was preformed within three different towns, picking two villages within one of the towns and one village within two other towns (see figure 1). Further, one team from each village was selected. The villages and teams were chosen randomly by looking at a list over all the teams and villages in Songhuaba, which were given to me by Li Yunju from ICRAF. The selection from the list became even more random when on arrival we discovered that one of the teams' chosen had 200 households, which was far too

many for doing our research. In another team picked prior to arrival, we discovered that most of the people living there were in town to do shopping before the spring festival, *chun jie,* which is the holiday when Chinese New Year, *Xin nian,* is celebrated, which forced us to choose another team close by.

When choosing to do research within four different teams, I ran a risk that there were variations on the independent variable, impact of out-migration, and the dependent variable, resource distribution between households. However, the impacts of out-migration might be differently felt from household to household and as the analysis is conducted on household level and not team level, I am confident that the differences between teams should not have strong effects on the results.

4.3 Data reliability and quality

There are some fundamental questions that needs to be addressed with regards to the quality of the data and the reliability of the data. Quality of data refers to whether the data collected enables the researcher to reach the objective of the research (Grønmo, 2004: 217). This means that the data collected for this thesis is of a high quality if the material collected enlightens the objective of looking at the effects of out-migration on resource distribution between households in a specific setting in the countryside in China. Quality of data is connected to the way the units will be analyzed. In this case households, are selected (Ibid: 218). Data reliability concerns the trustworthiness of the data. For this thesis, after using structured household interviews and participatory mapping as research methods, we must discuss the reliability of the data we got from the informants.

- *Informant reliability*

In section 2.2 we saw that the average household income on team level, based on information gathered from the structured interviews, is lower than the average income per person data offered by official sources on village level. Competing explanations emerges. The households interviewed for this thesis may have systematically underreported their income, or the local government officials gathering the official numbers systematically inflate the average income to enhance their position within the party system.[19] Another explanation might be that the teams randomly chosen for this thesis have a lower income than the other teams within the

[19] See Murphy, 2002: 129ff for an excellent account of the incentives that local *cadres* have to promote economic development.

village, or that there are great variations within the villages in terms of team level income, which makes the aggregated figures on village level higher. One should be aware of the possibility of inflated numbers and variations between teams within the same village. However, official income data does not exist on team level and it would be pure speculation at this point to analyze the reliability of the official numbers. Rather, the trustworthiness of the informants is at the heart of the question of quality and reliability of the data for this thesis.

The reliability of the data gathered for this thesis came under scrutiny due to two important reasons. At first, I did not fully trust the informants when they told me that their sons, daughters, wife's, and husbands did not send remittances back home when they worked outside of the local community by participating in labor migration. This did not meet my expectations of migrant behavior where the filial daughter and son sends back home most of the hard earned money from the city job, which would be a way for the migrant to show loyalty, love, visible contribution to the household's welfare, their continued belonging to the soil through the Hukou system, and a desire to escape the harsh conditions in the cities (Ellis, 1998: Murphy, 2002). However, as I have mentioned earlier, competing explanation of changes in migrant behavior depending on the generation the migrants, made me go back to the data and reconsider my ideas about its quality and reliability. Now I have no doubt that the information that the informants gave us is correct on the question of remittances received. By reviewing new theories, being open minded towards the tendencies, and actual information given, the information on this point suddenly seemed more reliable. Other members of the family told us that they did not receive remittances from their migrant family members due to high living costs in the city. They have barely enough to get by themselves, was a common given reason. One mother dryly commented to us that her son had a low income but a high spending (Interviews Songhuaba, January 2009). Moreover, as the time we performed the interviews coincided with *chun jie* (Chinese new year), many migrants had returned home to celebrate with their families, and they confirmed the information from informants that was not migrants. Later on, considering the information above, it strikes me as odd that I in the beginning questioned reliability of the informants with regards to this.

Further on, in 20 of the households interviewed, the expenditures and income did not match. Expenditures far excided the income, which evidently made me vary about the quality and reliability of the data. For the analysis this was particularly challenging since the household's income is the primary indicator of the typologies of the households along with ownership and consumption/spending. It turned out that for about half of the households, the

remittances from migration were not included in the income figure and this balanced the equation. At one point I actually considered not using the remaining half of these interviews, due to their apparent unreliability. However, when categorizing the households into typologies it became clear to me that gross income was not the only indicator of the household's resources, although it definitely is the most important one. Based on ownership and expenditure/consumption I was able to categorize all the households, except four, which probably can be explained by interruptions during the interviews. The disparity between income and expenditure given in the interviews might have additional explanations, like lack of knowledge about the full household expenditures, concealed information between members of the household of sources of income, anxiety that the government might impose higher taxes on them due to high income figures, and other causes (Murphy, 2002: 56-57). However, by including several indicators when categorizing the households, the quality and reliability of the data is improved and strengthened.

- *Typologies of household reliability and codification of data*

Using several different indicators besides income to determine the socio-economic category of a household, proved to be simultaneously beneficial and problematic. Firstly, when categorizing the relative socio-economic condition of a household it is advisable to classify "…the surveyed households into categories reflecting their material well-being in the basis of income, ownership, and expenditure" (Murphy, 2002: 57). Thus, income is but one measure, though the most important one, for categorizing the households into different typologies based on their resource endowments in order to do comparison and an analysis of what factors affects the material well being of the households.

Secondly, the income estimates given in the interviews are just that, *estimates*. It is difficult to give precise accounts of income for a whole year, some household members might have more knowledge of the income than others, and the informants might have reasons for not revealing their full income predicting that they have higher income than they actually do (see more on informant reliability above). Another reason why income estimates for one year might be difficult to utilize isolated, at least for households that are predominantly farmers, is the seasonal and fluctuating nature of the natural environment, which might vary to a large degree from one year to another (Ellis, 1998: 9).

Thirdly, it might be somewhat problematic to use livestock ownership as a basis of categorization of households. The amount of livestock owned might be a reflection of

demographic composition of the household, as raising livestock requires extra labor and households with relatively many adult laborers might have more leverage to diversify their livelihood by raising animals (Chayanov, 1986: 67). Further, to raise animals requires land, especially for growing fodder for the animals, and the size of landholdings might be the reason why the household has many animals. In other words, amount of landholdings and adult laborers might be the *reason* why a household owns much cattle, pig, and chicken. Thus, the relationship between size of landholdings and number of adult laborers found in the household might create a circled relationship between these two factors analyzed and the resource category of household. However, as livestock is not the only or most important indicator of the household's resources, the biased relationship should not be too strong.

The fourth question that needs to be raised around the categorization of households into typologies, relates to the indicator of ownership and spending on durable consumer goods. By asking the households if they own and how much they spent on TV, washing machine, vehicle, motorbike, and solar panel the last decade, this thesis makes the assumption that all the households interviewed somehow uniformly desire these goods, and that the difference in ownership and spending relies solely on *ability* to acquire them. On the other hand, the questions were created after consulting with Yunnan Statistical Yearbook (2004) to see what are the most commonly owned consumer goods. Moreover, a common area to invest remittances is durable consumer goods, and I found it useful to include this indicator. There might be some differences in ownership and spending based on household's participation in migration, and the informants where encouraged to mention other types of durable consumer goods they owned since there might be differences in goals between households.[20]

Finally, by including a broad set of indictors some of the preciseness you might have with "clean numbers" is lost. More of the categorization is based on assessment and estimates, rather than rigid and clear measured foundations. The most problematic aspect of this is that it might be difficult to replicate the results of this thesis, to validate or falsify it, as other might categorize the households differently. However, I have included figures to the indicators whenever possible and followed Murphy's approach as carefully as possible to avoid the most serious problems. By linking different indicators of household wealth together when determining each household's relative position compared to other households, this

[20] Murphy (2002: 114) writes on how the spending on durable consumer goods is a way for rural households to achieve other goals like full participation in village life since displaying some wealth is a way for households to climb the social hierarchy.

thesis recognizes the diversity of sources of wealth that exists and takes into account the limitations in full knowledge about household income (Murphy, 2002).

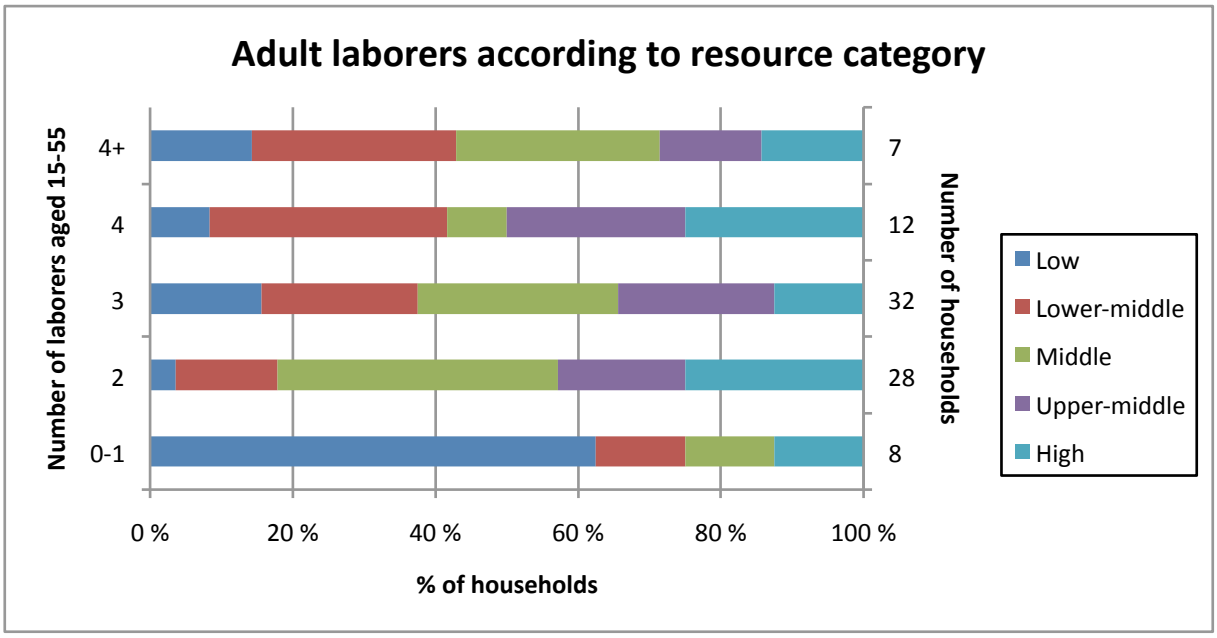
5 Distribution of resources: the effect of demographic composition and size of landholdings

Most of the households that did not have migrants in their family offered us two different answers depending on their age to why they did not have migrants in their family. Relatively old people told us that they were too old to go out to work themselves. People in their 20-40s, who did not have migrants in their household, told us that they had to take care of their young children and old parents or parent's in-law, and therefore could not engage in labor migration. In other households some of the members where injured or had disabilities, which made it difficult to go out to work or made it necessary to stay home to care for them (Interviews Songhuaba, January 2009). Most of the informants that were interviewed, who did not have migrants in their household, told us that they wanted to go out to work in the periods when the farming season is less intense and stay home for farming during the busy seasons. In eighty-four of the eighty-seven households visited during the data collection, farming is an important part of the household's income (Interviews Songhuaba, January 2009).

5.1 Demographic composition and household resources

Arguably, the most important asset that a household possesses is labor as it determines the leverage for the household to diversify its livelihood by taking on a variety of income generating activities (Ellis, 1998; Murphy, 2002). It is no surprise that households with more adult laborers in the age between 15-55 years old have more access to pursue a diverse set of livelihood activities than a household with few adult laborers. From this assumption, the data gathered for this thesis has been analyzed in terms of the relationship between number of adult laborers found in the household and the typologies of households developed for this thesis.

The data has been aggregated and all 87 households are included here. Assumptions from Chayanovan theory is confirmed by this material; households with many adult laborers are better off in terms of resources than households with comparatively few laborers (Graph 1; see also Murphy, 2002: 59).



Graph: 1; Number of laborers aged 15-55 according to resource category. *Source:* 87 household interviews Songhuaba, January 2009.

However, households with 2 adult laborers have less probability of belonging to the low and lower-middle resource households than households with 3 or 4 adult laborers. At the same time, households with 3 and 4 laborers have more households in the upper-middle resource category than households with 2 adult laborers. The first tendency might be explained by the fact that in several of the households with 2 adult laborers they are in their 30-40s, live with their parents and have young children that either goes to primary school or have not began their formal education. Thus, their parents can take care of the young children while the couple is labor migrants in the city or do farming, and the expenses for the children's education are low. The old parents, in addition to taking care of their grandchildren, raise livestock or do farming. Often parents of migrants, in households where there are two adult laborers working out, complained to us that they had too much to do, with both farming and childcare, but that the households income had increased after migration.

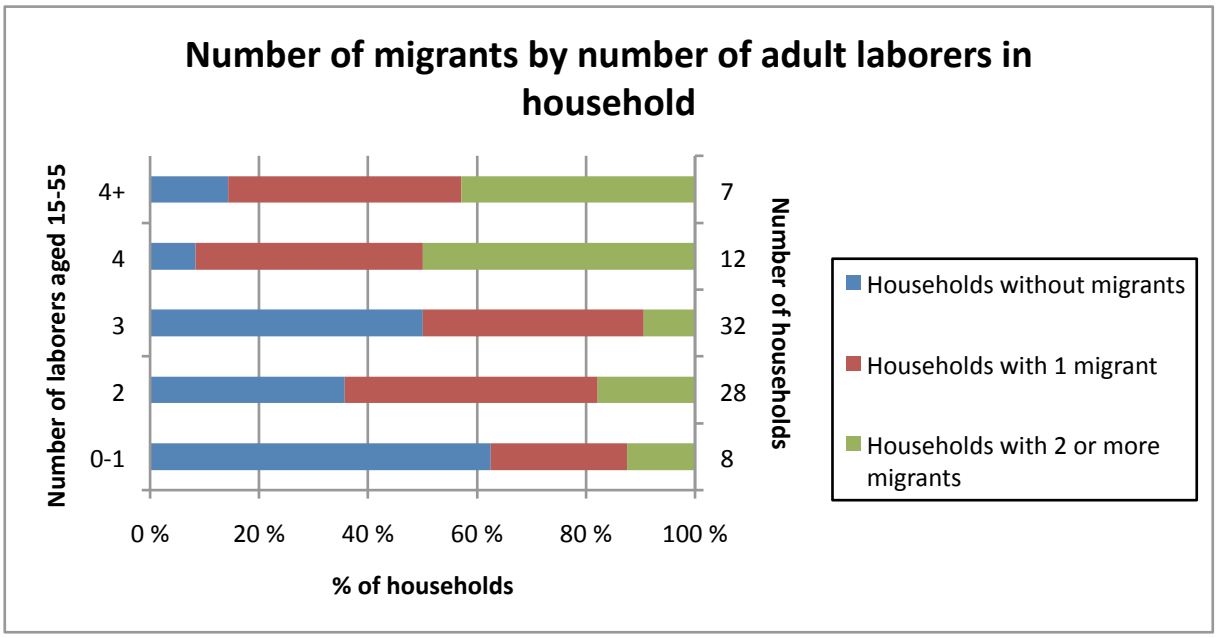
Households with 3 or 4 adult laborers typically have high costs of education. Their children are often between 15-19 years old and are still undergoing their education without being able to contribute fully to the household's chores or income. Additionally, the education fees are very high for the households where children go to high school or take higher education. Also in some of the households with 3 or 4 laborers, the children go out to work, but do not send remittances back home and at the same time do not contribute to the income of the household. On the other hand, most parents told us that when their youths went out to

work the expenses of the household went down, as they did not have to pay for education and living expenditures for their children anymore.

In households with many laborers the opportunity to gain more from both a variety of livelihood activities and farming, is higher, than in households with few laborers. However, if a household has little land, the opportunities for increasing output in agriculture might be limited, and migration is often considered to be a better way to deploy the labor of the household. As several informants told us, the reason why they or their family members migrated, to the city or nearby village to engage in wage labor, was due to the fact that they did not have enough to do on the farm (Interviews Songhuaba, January 2009). Indeed, one of the basic characteristics of the Chinese countryside is the large amount of surplus labor (Roberts, 1997; Unger, 2002: 112).

Households with 0 or 1 adult laborer were often households with an older couple than the ascribed age category of 15-55 years old for adult laborers, or with one single son in his 30s who lived with his parents. The gender difference in three out of four teams tipped towards male dominance, but the difference is quite small and in one team there are more women than men by a small margin (Participatory mapping Songhuaba, January 2009).

As mentioned above, the number of adult laborers in the household affects the household's access to take on a variety of livelihood activities in order to minimize risk and pursue the social and economic goals of the household. Opportunities of local wage labor in Songhuaba are limited, though based on observations there are a few opportunities to work with road building and construction. However, only two of the informants in the material for this thesis told us that they had any local off-farm work income sources, one was a veterinary and another person taught at a nearby school (Interviews Songhuaba, January 2009). The access to participate in migration increases with amounts of adult laborers (Graph 2).



Graph 2: Number of migrants in 85 households by number of adult laborers in household. Source: 87 household interviews Songhuaba, January 2009.

1) In the category 0-1 adult laborers one couple, aged 61 and 65 years old, both are labor migrants, but they are above, in age, the adult laborers age group definition used here.

Graph 2 shows that participation in migration increases with the number of adult laborers found in the household. However, the findings here also shows that when the households has more than 4 adult laborers the tendency to participate in migration decreases slightly compared to when the household has 4 adult laborers. The reasons for this can be found in the answers from the questionnaires, which reveals that in many of the households with more than four laborers the adult children still go to school or two of the laborers are in their late 40s or 50s and thus the opportunity to work is more limited. This result might be affected by structural and seasonal variations. As a middle aged couple told us, this year it is very difficult to find a job, something that might be explained by the financial crisis. On the other hand, there are only 7 households in the 4+ adult laborers category and small individual variations between the households have big impacts on the results.

Households with 2 adult laborers more often have labor migrants in the household than households with 3 adult laborers. However, the differences are small.

Based on the data there is a clear relationship between household with relatively many adult laborers and a good resource base for the household as well as more opportunities to engage in *dagong*. Households with few adult laborers often have a relatively poor resource base and are not able to participate in migration. However, as discussed previously, households with 2 adult laborers are often found to be better off than households with 3 or 4

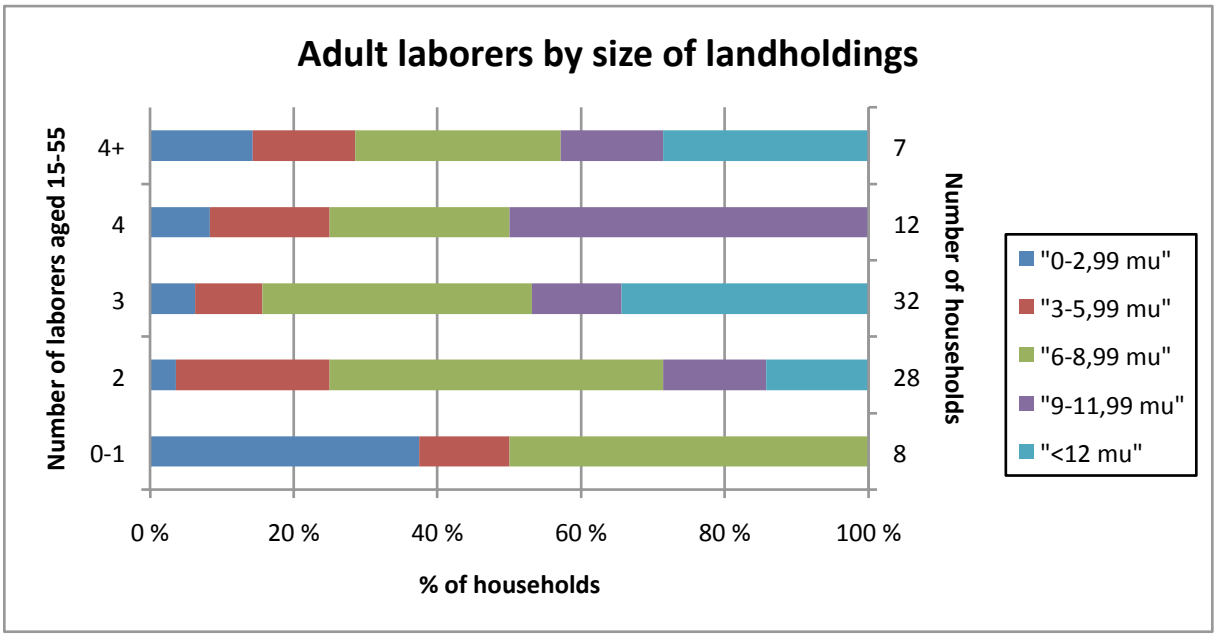
adult laborers, which make the relationship between demographic composition in the household and household typology more complex. Additionally, households with few adult laborers have less access to diversify their livelihood, at least through migration, than households with many adult laborers. This gives households with few adult laborers less access to increase their assets by participating in migration and contributes to differences in resources and structural inequalities between households based on their demographic composition. However, the fact that households with 2 adult laborers are more likely to have labor migrants in their household than households with 3 adult laborers, reminds us that the demographic composition of the household does not fully determine the access households have to diversify their livelihood by going out to work (*dagong*). Moreover, the fact that over 40 percent of the households that have 4 or more laborers can be found in the two lowest-resource categories, shows that amount of adult laborers within the household is not the only factor contributing to difference in resources between households.

5.2 Size of landholdings and household resources

In China, rural households are contracted land rights to do farming through the household responsibility system (Unger, 2002: 95ff). Under the quota system each household is required to produce a certain amount of output that is procured by the state and everything produced above this quota is either consumed within the household or sold on the market (Unger, 2002: 110ff). Land contract rights are distributed according to family size so that a household with more members receives larger plots to develop than households with few persons (Unger, 2002: 115). Theoretically, landholdings should not be a source of inequality in the distribution of resources between households because landholdings are distributed in this fashion.

In practice there are often small differences in the distribution of landholdings due to readjustments of landholdings after someone's death or if a household fails to cultivate its land, the household's share of land might be reduced (Murphy, 2002: 72ff). The team management readjusts land. Land contract rights have until very recently had a duration of 30 years and it has not been legal to sell contracting rights to others until the new rural reforms was implemented in January this year. However, as discussed earlier in this thesis, land readjustments between households happens seldom due to the official policy of giving farmers stability and a sense of safety towards investments done on the farm (Murphy, 2002).

Looking at graph 3 the relationship between number of adult laborers in the household and size of landholdings is mixed.



Graph 3: Number of adult laborers in household and size of landholdings. *Source:* 87 household interviews Songhuaba, January 2009.

If the household has 0-1 adult laborers the household usually have small landholdings and in some of these households it is old couples living together who only grows a small plot of land. If there are 2 adult laborers in the household, the size of landholdings in general are bigger than if the household has 0-1 adult laborers. The biggest difference here is that fewer households are found in the 0-2,99-mu category in households with 2 adult laborers and there are some households with quite large landholdings also. In households with 3 adult laborers there are more households in the <12-mu category than in any of the other of the demographic categories. The reason for this is not easy to determine, however, part of the explanation might be that these households often have three generations living within the household, with the oldest generation being slightly older than the "adult laborers" definition used here and the landholdings of these households does not become readjusted before the persons belonging to this generation are older.[21]

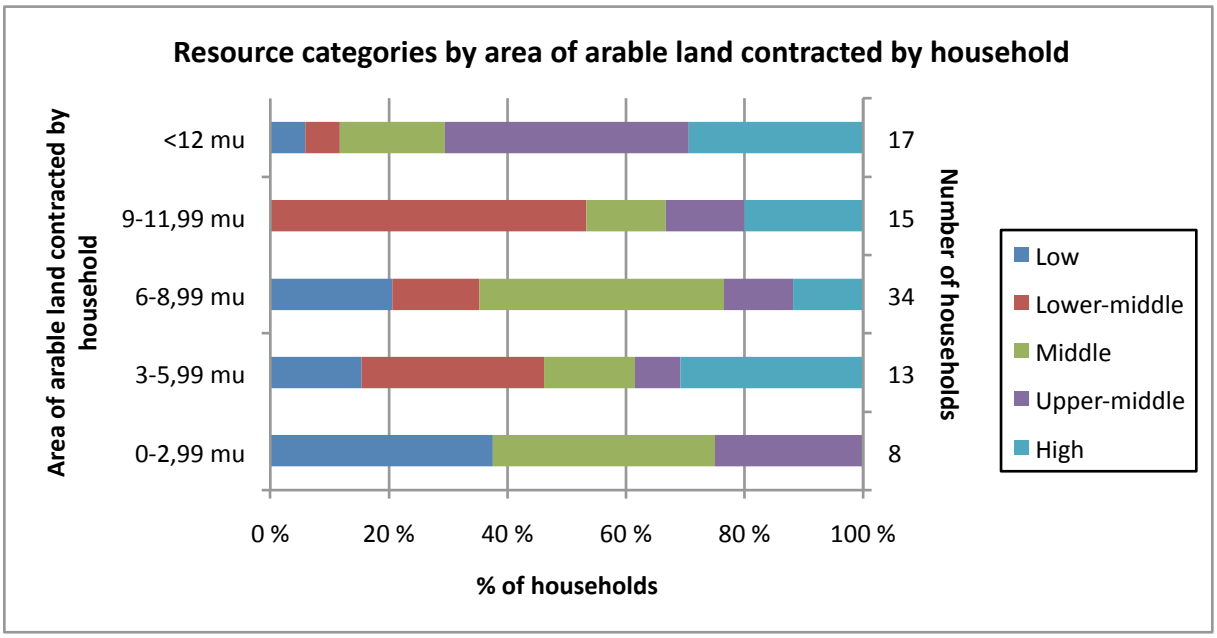
In households with 4 adult laborers there are no households found in the <12-mu category, however, half of the households have between 9-11,99 mu, which means on average 2,5 mu per person for these households. In households with 4 adult laborers, approximately 25 percent of the households are found in the 0-2,99-mu and 3-5,99 category, which might be explained by the fact that in some of these households the landholdings have not been

[21] See Murphy, 2002: 73ff for an excellent account of land readjustments due to migration in rural China

readjusted to take into account that the household now has adult children. However, questions about readjustments were not included in the questionnaire. In households with more than 4 adult laborers, which means that they have 5 adult laborers; nearly 30 percent are found in the two smallest landholdings categories, while around 30 percent of these households are found in the <12-mu category. This category offers the biggest disparities between households with large landholdings and those with small landholdings. Partially, this relates to individual differences between households, as there are only 7 households with more than 4 adult laborers, which makes small differences appear bigger. However, another explanation might be, like the households with 4 adult laborers, land readjustments have not been done after the children have grown older and reached the "adult laborer" category. Hence, the demographic cycle of the household might not be reflected in the size of its landholdings. As the criteria's for land readjustments are unaccounted for, there might also be other factors affecting this.

Overall, from the account above, landholdings are distributed based on the amount of adult laborers found within each household, though there are some variations and the results are mixed with households with 3 adult laborers accounting for the strongest variance of the pattern of amount of landholdings per adult laborer. However, the variance might simply be explained by the fact that the teams use other criteria's for land readjustments and distribution than assumed in this discussion.

Is there a relationship between size of landholdings and resources found within the household at the time of the data collection? Rachel Murphy (2002: 77) found that size of landholdings did not have a strong effect on level of resources claimed by households, but that households with larger landholdings were less likely to be found in the low or lower-middle resource household typology. Looking at graph 4, interesting patterns appear.



Graph 4: Relationship between size of landholdings and resources in household. *Source:* 87 household interviews Songhuaba, January 2009.

When comparing the 12-mu category with the 0-2,99-mu category it becomes evident that there is a relationship between the resource base of the household and size of landholdings. In the 12-mu category nearly 75 percent of the households are found in the two highest resource categories. In the 9-11,99-mu category nearly half of the households are found in the lower middle resource category, which is a much higher percentage of households placed in the two lower-mu categories than in the 6-8,99-mu category and slightly higher than the 3-5,99-mu category. The high percentage of lower-middle resource households found within the 9-11,99-mu category is best explained by the fact that, looking back at graph 3, these households often have 4 or more adult laborers. Moreover, by looking at graph 1 households with 4 or more adult laborers display a tendency towards lower-middle resource category, which is explained by the demographic composition of the household and the youths in these families that have not yet started fully contributing to the household's income while they contribute fully to the expenses. Hence, the fact that there is a high percentage of lower-middle resource category households found within the 9-11,99-mu category is probably not so much due to the size of their landholdings, but has more to do with demographic composition and household cycle. This simultaneously reminds us about the importance of demographic composition for the household's resources as well as the relatively small importance of size of landholdings. Landholdings play their role as well, but demographic composition of the household seems to have a stronger effect on resource distribution between households.

In the 6-8,99-mu category most of the households are middle resource households, which is expected. Moving down to the 3-5,99-mu category mixed results appear and the differences between households are larger than the results from the previous category. Firstly, more households belongs to the lower-middle resource category and more households are found in the high resource category compared to the 6-8,99-mu category, while few are found in the middle resource category. In the 0-2,99-mu category nearly 40 percent are found in the low-resource category, which is to be expected considering that in these households there are few adult laborers and few migrants together with small landholdings.

Households with large landholdings are able to grow different kinds of crops, raise more fodder for breeding livestock, and have more abundance of food to be consumed within the household, *if* they have many laborers. From the data, there is a stronger relationship between level of resources and amount of adult laborers than size of landholdings. On the other hand, households with more than 12 *mu* of land are often found in the higher strata of the local community, and here there is a strong relationship between size of landholdings and resource level of household. Another reason why number of adult laborers in the household has a stronger effect on the household's resources than amount of land might be the fact that the size of landholdings is a proxy for the number of adult laborers in the household, at least in theory (Murphy, 2002: 77). As displayed in graph 3 above, the amount of adult laborers in the household corresponds to a large degree with the amount of land allocated by households, though there are some variations This is also true for households with small landholdings, where the households often have scarce resources. Moreover, in households with a low resource base there are both few adult laborers and small landholdings. On the top of the resource scale, the relationship is not so straightforward, and many adult laborers do not necessarily translate to a higher resource level for the household than a household with 2 adult laborers. This is best explained by demographic composition rather than amount of workers, i.e. the occurrence of households with youths that have not started contributing to the household's income while they contribute to the household's consumption.

If the *adult laborers* category had begun at a higher age, like 18 or 20 years old, the result might have been different since the household's expenses for education might have gone down, while the income had gone up. Several of the informants told us that although their children did not send remittances back home their income had increased as the expenses for education had disappeared. However, the result might have been different had the *adult laborers* category begun at a higher age, it is hard to determine whether it would have given a more accurate picture of the impact of number of adult laborers for distribution of resources.

6 Distribution of resources: the effect of migration

In total there are 75 labor migrants in the data collected for this thesis through household interviews, distributed on 54 households. Out of the 692 people living in the four teams visited, 110 people are labor migrants. There are 187 households in the four teams visited and 71 of these had labor migrants in their families (participatory mapping Songhuaba, January 2009). 87 of the households form the basis of this analysis with 33 households being without labor migrants at the time of the data collection and the remaining 54 had one or more labor migrants. In other words, more than one third of the households in these teams participate in migration and are affected by it. Also households without labor migrants are affected by migration and several people told us that they might benefit from migration, as more land might be available to rent with the absence of fellow team members (Interviews Songhuaba, January 2009).

In Rachel Murphy's (2002: 67ff) monograph she looks at the impact of migration on increasing local off-farm work opportunities, and she finds that households with migrants more often participate in local wage labor than households without. This she explains mainly by the increasing level of skills that migrants acquire by working in urban areas, skills that are in demand in local factories and other occupations as well (Ibid: 68ff). I have studied this factor, both because of the limited time at my disposal and due to the fact that there are so few households in the teams visited in Songhuaba that have access to local off-farm wage labor opportunities, due to the restrictions of business creation in the area.

6.1 Differences between first and second generation migrant households

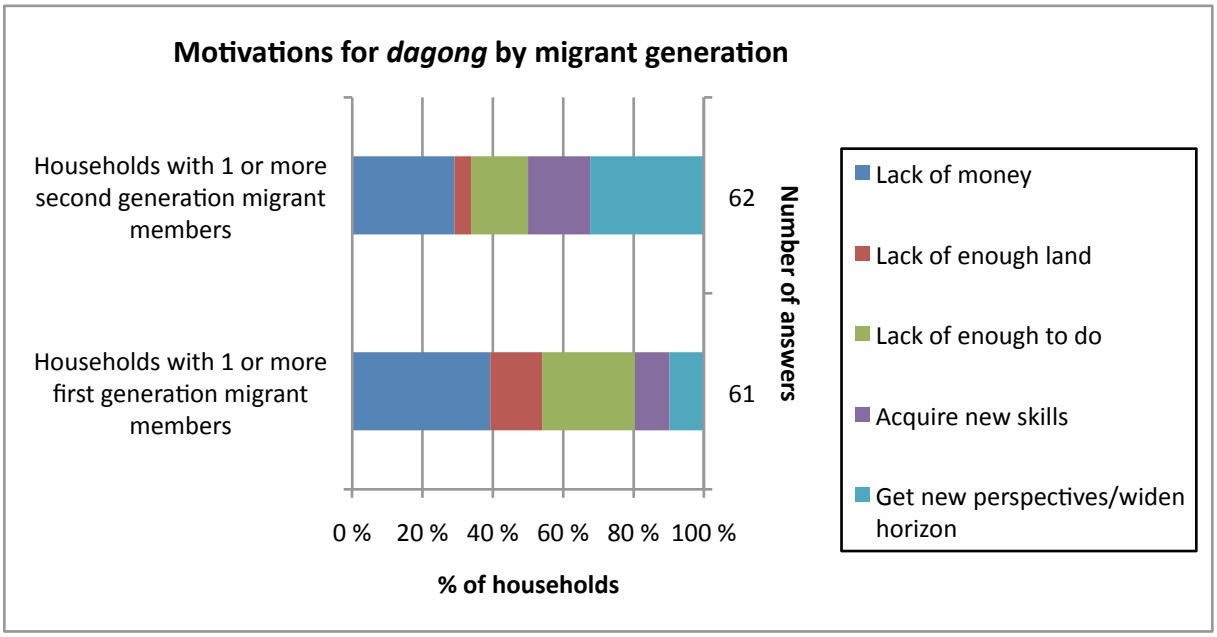
Migrants might contribute to the household's resources in different ways, most directly with cash by urban-rural transfers through remittances, but also by bringing commodities, gifts, renewed sources of social capital, and skills. Further, migration might contribute indirectly to household's resources, as people move out, the amount of arable land per person at home will increase. However, in China it is very difficult for migrants to completely leave the land due to the Hukou-system defining one's residency status and the mandatory quota system, which makes peasants unable to completely abandon agriculture (Murphy, 2002: 73; Pun and Lu, 2009: 13). This thesis looks mainly at remittances and the effects of cash transfers from urban

to rural areas as a result of migration. For rural households, the return to labor is increasingly perceived as most beneficial by engaging in *dagong* (wage labor) (Pun and Lu, 2009: 13). Several of the households that did not engage in migration told us, when asked about their plans for the future, that they would like to engage in *dagong* or "going out to work". Households in the four teams visited for this study are situated close to Kunming, where most migrants from this area find work; there are few financial barriers for participating in migration. In 43 of the 54 households that have migrant members, Kunming is the destination for working away from home (Interviews Songhuaba, January 2009). The average age of the migrants is 33 years old, 50 of the migrants are male and 25 are female. The average time spent out each year varies much for each migrant, but most migrants spends more than half a year out. Close to 50 percent of the migrants spends 12 months away working (Interviews Songhuaba, January 2009).

The second-generation migrants are more often motivated by acquiring new skills and getting new perspectives than the first-generation migrants, which was more motivated by economic goals. Pun and Lu (2009: 7) argues that "today, the new generation of migrant workers is less motivated by economic goals and more determined to achieve personal development, freedom, and a different way of life". The material presented here, in this thesis, confirms this argument about the difference in motivation between the two generations of Chinese rural migrant workers (Graph 5).

Moreover, according to Pun and Lu (2009: 9) the second-generation migrant workers have a very urban outlook, the rural-urban chasm makes them unwilling to return to the countryside after migrating to the city, though the Hukou-system gives them little choice, and they fail to remain loyal to their families in the rural area due to their sense of enclosure when first leaving the farm. As Rachel Murphy (2002) argues, one of the most important means for migrants to display their continued loyalty to their families in rural areas and their wish to return after a period of working in the city is by contributing to the welfare of the household through remittances. Based on this, though Pun and Lu (2009) does not state this directly, this thesis assume that second-generation migrants are less willing and able, due to their urban outlook and aspirations, which are mainly realized through creating an urban identity through consumption, to contribute to the household's welfare with remittances.[22] Looking at responses on motivations to *dagong*, I find that interesting results appears when dividing the answers between first and second-generation migrants (Graph 5).

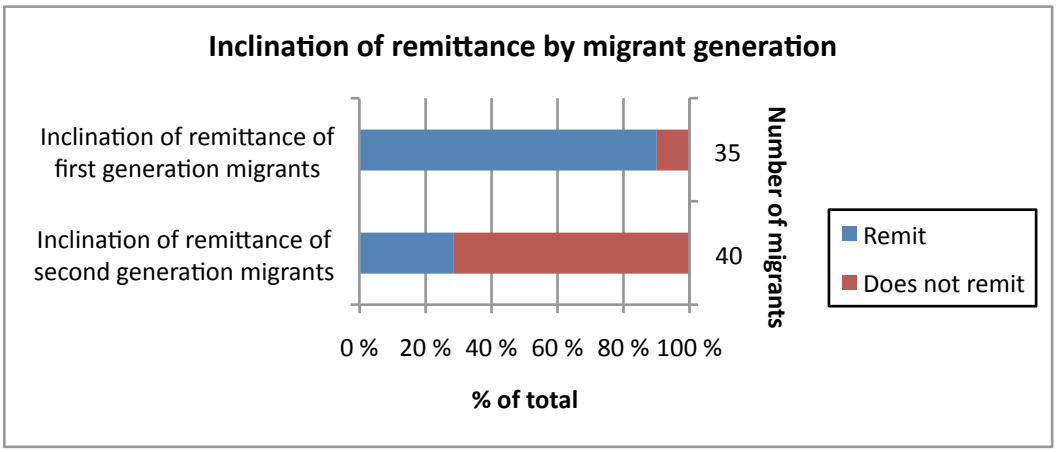
[22] See Gaetano, 2004 for an account of creating urban identities through consumption; see Murphy, 2006: 21-22 for an account of non-remittance



Graph 5: ***Motivations for going out to work. Source:*** **interviews with 54 households in Songhuaba, January 2009.**

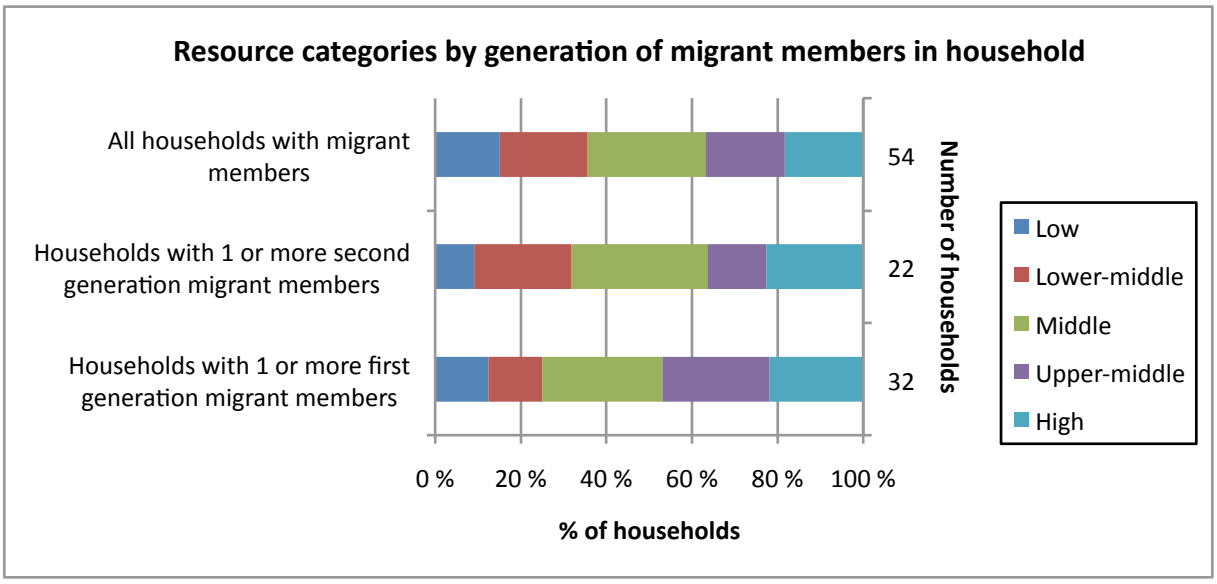
The tendency shows support of Pun and Lu's (2009) theory that first-generation migrants are more motivated by economic goals while the second-generation are more motivated by the goal of achieving personal development and freedom. While the motivation for migration might be different, what about the practices of remittance?

The average monthly salary for the second-generation migrants is 890 Yuan, while it is 790 Yuan for the first-generation migrants (Interviews Songhuaba, January 2009). Several informants complained to us that their son or daughter did not contribute to the household with money while at the same time the household had less labor. One father of a migrant, categorized here as second-generation migrant, told us that his son had developed wasteful habits after he went to Kunming to work as a shop assistant. A mother told us that her daughter earned little and spent much money in the city (Interviews Songhuaba, January 2009). Second-generation migrants, which constitute 35 of the 75 migrants in the material, have a stronger tendency not to send remittances than the first-generation migrants in the four teams chosen for this study. While 35 out of 40 first-generation migrants sent most of their earnings in the city back to their households, only 10 out of 35 second-generation migrants did the same (Graph 6).



Graph 6: Remittances and generation of migrants. *Sources*: Interviews with 54 migrant households in Songhuaba, January 2009.

From this material it is obvious that second-generation migrants in the four teams in general "…failed to remain loyal…" (Pun and Lu, 2009: 9) to their households by not continuing to "…demonstrate…membership in their households through remittances…" (Murphy, 2002: 203). There might be additional reasons, which are not accounted for here, however, by looking at different patterns in motivations for migration and the pattern of remittances there is some support for the argument that second-generation migrants fails to remain loyal to their family by not contributing with remittances (Murphy, 2002: 211-214; Pun and Lu, 2009). The effects of out-migration for resource distribution, with focus on return flows of money from urban areas, is the focus of this thesis. Thus, it is interesting to look at whether the differences between migrants belonging to the two generations in terms of contributing to the household's resources with remittances, creates new divisions between households based on which generation their migrant belongs to (Graph 7).



Graph 7: Relationship between household resources and migrant generation. ***Sources:*** **Interviews with 54 migrant households in Songhuaba, January 2009.**

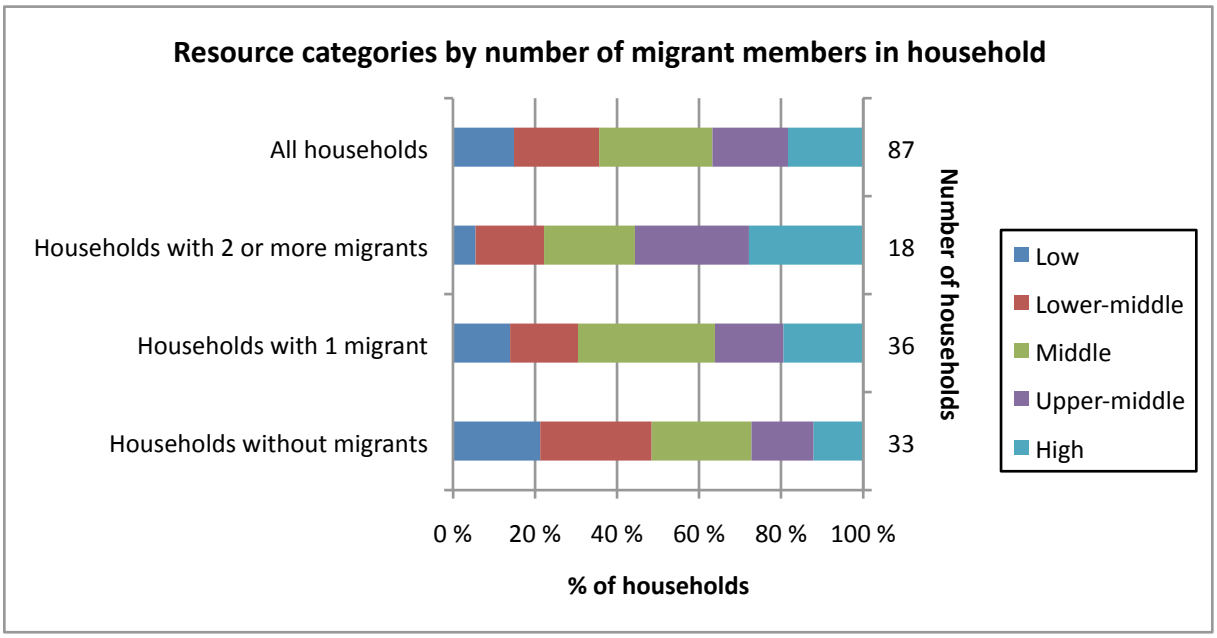
Households with first-generation migrants are slightly better off than households with second-generation migrants. There are more households in the lower-middle category for households with migrant members in the second-generation, and more households in the upper-middle category for households with first-generation migrants. The reasons for this somewhat surprising result considering the difference in remittances received, might be attributed to the fact that second-generation migrants comes from already relatively resource rich households (see Murphy, 2006: 21-22 for a similar point). Hence, the reason why second-generation migrants do not contribute directly with cash transfers to the household might simultaneously be explained by the fact that they have a more urban outlook, and that their earnings are not desperately *need* by the household though the remittances are naturally *desired*. Whatever the reasons, the absence of remittances might not be dramatical for the household. While the migrant does not contribute directly with remittances, the fact that the household has less consumers to support have a positive effect. One mother told us that there now was less pressure on the resources of the household because she did not have to pay for her son's education, and that he now was independent despite the fact that he did not send remittances back home. Other informants also told us that their sons and daughters absence from the household increased the income of the household despite not receiving remittances due to the decline of expenditures (Interviews Songhuaba, January 2009).

In the beginning of this thesis the question of differences in terms of resources between first and second-generation migrant households was asked. The findings here confirm that first-generation migrant households are better off in terms of resources than

second-generation migrant households. However, the assumption that first-generation migrant households are better off than second-generation migrant households is not strongly confirmed. Second-generation migrant households receive less remittance than first-generation migrant households, and still the difference in resources between the two categories of households is only very small. The reason for this is difficult to determine, but second-generation migrant households seems not to depend on remittances as heavily as households with first-generation migrants. Moreover, while the labor of youths that leave households to participate in migration was not crucial for the income of the household prior to migration when first-generation migrants leave the household to go out to work absence of remittances received would probably have impacted the household's resources negatively.

6.2 The effect of out-migration for household resources

As we have seen, first-generation households are slightly better off than second-generation migrant households, however, the variations are limited. From this we might be tempted to conclude that remittances are not as important to inequalities between households in terms of resources as size of landholdings and demographic composition. However, the fact that a member of the household engages in *dagong* has other effects as well. As several informants told us, the fact that their labor force was reduced as an effect of people going out to work created more work for them with farming and childcare (Interviews Songhuaba, January 2009). As such, the income might be reduced for families with migrants if they do not remit and the remaining labor force must work much harder. On the other hand, when the labor force of the family is reduced, so is the consumption. Some mothers told us that since their sons had gone out to work there was "less pressure", which they explained to us as less expenses for education, food, and other necessities (Interviews Songhuaba, January 2009). Additionally, though the majority of second-generation migrants do not remit, most migrants first-generation migrants contribute with remittances back to the households. Here I would argue that it is very difficult to assess the importance of out-migration as a stratifying factor without comparing the difference in resources found between households with and without migrants. Looking at graph 8 some distinctive patterns appears.



Graph 8: Relationship between participation in migration and household resources. Sources: 87 household interviews in Songhuaba, January 2009.

Households with migrants have in general more resources than households without migrants. Additionally households with 2 or more migrants, generally have more resources than households with only 1 migrant. The results from Rachel Murphy's (2002) study are confirmed. In areas of low levels of industrialization, like Songhuaba, remittances are a very important source of cash income to households that mainly generate income from agriculture.

However, many households with migrant members do not receive remittances and they lose labor, which is the primary asset of the household. Hence, one might suspect that some households that participate in migration lose out. Several informants told us that they did not have enough persons left in the household to carry out all the work and they suffered from a productivity decrease (Interviews Songhuaba, January 2009). Their work burdens had become increasingly hard to carry and especially in households were the remaining household members are quite old and they do not receive remittances, the net effect is negative for the household's resources. Another interrelated aspect is that if there are children in the household their education might suffer as the elders that remain in the household either do not have the capacity to help the children with their homework, or the children need to contribute to farming or with household chores due to the lack of sufficient labor in the household.

While the income in some instances might be reduced due to the out-migration of household members, so are expenditures. When the household size is temporarily reduced the expenses for food, education, etc. decreases. Several parents of second-generation migrants

told us that they felt that they were relived when the burden of paying for their grown-up children's education, vanished with their out-migration. Additionally, when members of the household engage in *dagong* the work burden increases for the rest of the family, but the output might remain the same. As a result the income does not decrease or is only minimally reduced from agriculture, and migration, in most instances, leads to an increased income for the household through remittances. Hence, as long as the output is not significantly reduced from agriculture due to the out-migration of members of the household, the income of the household will in general increase.

On the other hand some informants told us that the size of the land they contracted had been reduced as a result of the absent members who had migrated out (Interviews Songhuaba, January 2009). A wife of a migrant told us that since her husband had gone out to work (*dagong*) the land square of the family had been reduced and rented out to others. One migrant told us that the amount of land contracted by the family was reduced while he was engaged in migration and when he returned it was hard to sustain his family. While readjustments in land due to the migration of members of the team might have negative effects for the households with migrants, the households that do not have members who have migrated and relies solely on the income generated from farming could potentially benefit when some of the members of the team leave. Some informants told us that when some people go out to work the rest of the people might be able to rent more land (Interviews Songhuaba, January 2009). However, there is no guarantee that the extra land available is allocated to households that does not participate in migration.

6.3 Assessing the research questions

Arguably, households engage in migration to minimize risk and as a strategy of deploying the labor of the household in the way its members perceives as most beneficial. In China, during the last decade's tremendous economic growth and demand for cheap labor in urban areas, migrating to the city in search for wage labor has become one important way for rural households to diversify their livelihood and increase the financial capital base. At the same time the amount of arable land per worker has decreased rapidly, which arguably have contributed to an increased pressure to migrate to find work. Opportunities in the cities, perceived benefits of deploying some of the labor of the household in urban areas, and lack of prospects in rural areas motivate households to engage in labor migration (Stark and Bloom, 1985; Todaro, 1969). Households that engages in labor migration, especially households

situated in areas with low levels of industrialization and local non-farm employment, potentially increases the access to financial capital by receiving remittances. This thesis confirms theories on the importance of number of adult laborers in the household for the household's resources and as a stratifying factor between households. Especially when the migrant is young and the migrant's labor was not crucial for farming, out-migration is beneficial to the household. Number of adult laborers arguably plays a strong role in dividing households based on their resources.

The size of contracted landholdings also matters to the resource base of the household. Households that have contracted more than 12 mu of land are naturally able to generate more income from farming, as well as diversifying their livelihood by producing fodder for raising animals. Additionally, households with larger land allocations have access to diversify the types of crops they cultivate, and can rent slots of land to other households. Often households with large land allocations consume more than households with smaller landholdings since the amount of land contracted is a proxy of the number of adult laborers in the household. However, size of land becomes a stratifying factor between households to some degree due to the importance of farming for households income and small differences between households in terms of land allocated.

Even though the household is an integrated unit that allocates resources jointly, including labor and land, the goals and aspirations of individual members might sometimes differ from the goals and aspirations of the household as a collective. When second-generation migrants engage in *dagong* for self-development and personal freedom, their goals and aspirations might go against the goal of the household, at least in the short term, which is to minimize risk. Poor sanitary conditions, lack of neon lights, a decent living standard, and scarce opportunities for engaging in local wage labor makes going out to work (*dagong*) the most direct way for the second-generation migrants to escape their rural life's and aspire to become urban subjects. Moreover, the depth of inequalities between rural and urban areas has increased immensely over the last decades and still continues to increase, which seems to make urban life even more desirable to migrants.

Although the assumption that second-generation migrants contributes less with remittances back to the household is confirmed, whether the household has a first or second-generation migrant does not seem to be a factor that contributes strongly to inequalities between households.

Households with relatively many adult laborers are more often able to engage in migration than households with few adult laborers. Hence, migration becomes a way for

households with abundance of labor to diversify livelihood sources and generate financial capital to the household. In this sense the resources gained from engaging in migration becomes a stratifying factor between households. However, one should keep in mind that the demographic composition of the household to a large degree determines whether the household has access to engage in labor migration and that number of adult laborers found in the household arguably is the main stratifying factor between households at the given time the data for this thesis was collected.

The aim of this thesis was to analyze whether participation in migration by some households affects resource distribution between households. The answer to this seems to be that participation in migration to some extent does become a stratifying factor between households. Households with migrants have a stronger resource base on average, than households without migrants. Additionally, households with migrants have large landholdings due to the relatively high amount of laborers found in the household, which further adds to the resources of the household. Arguably, the resources gained from participation in migration consolidate the position of already relatively wealthy households and resources gained from migration are not the *source* of inequalities, which is more attributed to demographic composition. On the other hand, households with small landholdings and relatively many adult laborers also have the access to participate in migration, and for these households the resources gained from participation in migration become an essential livelihood diversification strategy.

7 Conclusions

This thesis has tried to contribute to an increased understanding of how migration affects the resource distribution between households in the migrant sending communities. By looking at how participation in migration, number of adult laborers in the household, and size of landholdings contracted by the household, form complex relationships, the thesis discussed sources of difference in terms of resources between households. Moreover, by analyzing how differences between first and second-generation migrants, in terms of contributing with remittances, affect distribution of resources between households, the relative importance of remittances as a product of the migration process has been discussed.

This thesis took the assumption that if the argument advocated by Pun and Lu (2009), stating that second-generation migrants fails to remain loyal to the household, second-generation migrants would contribute less with remittances than first-generation migrants. The findings show that households with second-generation migrants receive fewer remittances than households with first-generation migrants. Possible reasons for this have been discussed in relation to Pun and Lu's (2009) new theory on second-generation migrants. Effects of not receiving remittances for the resources of the household have been studied by comparing households with first-generation migrants and second-generation migrants in terms of differences in resources between households. Though remittances are arguably the most direct contribution to the household's resources, households that does not receive remittances are not as negatively impacted as assumed. An explanation for this finding is related to the fact that households have less expenditure when youth leaves the household to engage in labor migration, which relives some pressure upon the consumption of the household. It is possible that the effect for first-generation migrant households would have been more severe had they not received remittances, as the person who migrates in these households is crucial for the livelihood of the household.

The strength of this thesis may be the study of several factors contributing to distribution of resources simultaneously. As argued, while participation in migration by some households is a factor contributing to difference in resources found between households, it is arguably not the *source* of these differences. The factor that seems to have the strongest effect on difference in resource levels between households is number of adult laborers in the household. The data presented here shows that households with relatively many adult laborers

have more leverage to deploy some of this labor outside the agricultural sector to diversify its livelihood through migration. Number of adult laborers in the household determines the access of the household to engage in labor migration. Further, households with many adult laborers have larger landholdings contracted as a result of the land distribution system, which allocates land proportionally to adult laborers in the household. Hence, number of adult laborers determines both the access households have to diversify its livelihood by engaging in labor migration and the size of its landholdings. In an area like Songhuaba where farming and remittances are the most influential sources of income for rural households, number of adult laborers becomes a strong source of differences in resource levels between households.

To reach the objective of this thesis, which is to analyze the relationship between migration and resource distribution between households, the case study approach was useful. By allowing for a broad contextual framing that included several competing variables, in this case possible factors contributing to difference in terms of resources between households and difference resource levels of households based on migrant generation, the case study approach was chosen. The method is arguably useful since it enabled the research questions to be answered. Moreover, since this is a static study in the sense that the data collected does not consider the development of the household, doing a micro-level study on how several factors influenced the resources of the household at the time the data was collected, proved valuable. Conducting household interviews increased the validity of the data since it allowed for a detailed investigation of the sources of wealth for the households studied and for distinguishing the households into different typologies based on resources of the household. Categorizing the households into five different typologies based on resource level made the analysis of the relationship between several different sources of wealth for the household and household resources possible.

There are several limitations and problematic features associated with this thesis that needs to be addressed. First, in this thesis I do not look at the historical development of the households that are studied. Arguably, to get a complete understanding of how resources generated from participation in migration affects the distribution of resources between households, an investigation of the accumulation of resources and its relationship with the development of stratification over time, is advisable. Hence, the results from this thesis should be interpreted with caution, as the effects of some household's participation in migration and the resources of the households studied might change from one time period to another. By including several factors that contribute to stratification between households and ownership of durable consumer goods and livestock accumulated over time, I tried to

overcome these methodological obstacles. Additionally, by not assuming that remittances received was the only impact for households deploying some of their labor in migration, considering how not receiving remittances for second-generation migrant households related to the resources found in the household, additional knowledge to how migration affects the resources of the households was generated.

Further, the area chosen for the study might have affected the findings. Because there are limited options for local wage labor in Songhuaba, resources received from migration, together with farming, might enhance the effects of participation in migration for the distribution of resources between households. In other areas in China, where there are more local wage labor opportunities, the participation in migration might be less important for differences between households in terms of resources, and *political contacts* determining local opportunities might play a stronger role. Studying how resources derived from migration affects the resource distribution between households in Songhuaba was considered useful precisely due to the importance of migration for people's livelihood. As the aim of this thesis was to investigate how resources generated from migration constitutes a factor for stratification between households and there was limited time to look at different areas for study, Songhuaba proved to be a good area to conduct this study. Moreover, the findings from this thesis are comparable to the findings from the study by Murphy (2002), which took place in another region and different setting than this study. Therefore, the fact that the study was conducted in Songhuaba might have proven to be a valuable contribution to findings on impacts of out-migration on resource distribution between households in another setting.

Finally, can the findings from this thesis be generalized? Generally, research based on case study research designs are not subject to generalization as the cases studied do not aim at being representative to a population. This implies that the conclusions from this thesis on the relationship between out-migration and resource distribution between households in four teams in Songhuaba are necessarily not representative for a population (rural households in China). New contributions derived from this thesis have, on the other hand, given insights into practices of second-generation migrants compared to first-generation migrants in terms of contributing with remittances to the households. Pun and Lu's (2009) argument on difference in loyalty between first and second-generation migrants, operationalised here as difference in remittance behavior, has been confirmed in this thesis. Arguably, by looking at competing perspectives on the practices of migrants, the findings here, although maybe not representative, challenges dominant theories on the relationship between household and migrant.

To conclude, the findings here confirm the results of Murphy's (2002) study in Jiangxi Province; migration does have positive impact for households that participate. Further, the access to participate in migration is structured by the number of adult laborers in the household, thus demographic composition of the household becomes the main source of difference in level of resources between households. Size of landholdings plays a role in determining the differences in resources found between households, but size of landholdings is again determined by number of adult laborers in the household. Second-generation migrants contribute less with remittances than the first-generation migrants. However, there are only small differences in resource levels overall between households with migrants based on whether the migrant belongs to the first or second-generation of migrants. This is explained by differences in characteristics between households based on the relative importance of the migrants labor prior to migration for the resources of the household.

Further studies on this subject following a similar approach as developed by Murphy (2002) should try to choose conduct studies across different provinces and areas in China to see if similar results appear. Subsequently, it would be advisable to deploy the insights gained from cases done in various places on a large sample of households to investigate whether the findings and insights are generalizable for the population of rural households with migrants. Another continuation of the work begun in this thesis would be to concentrate on the impacts of differences and the reasons for differences, if there are differences across cases, between first and second-generation migrants. A constructive contribution in this regard would be a comparative study between first and second-generation migrants of their subjective perceptions of the rural-urban chasm, goals, and aspirations together with a study of changes in practices and potential impacts for rural households. Advantages of future studies into the migrant worker's subjectivities, practices, and impacts for the household could contribute to debates on changes of the Hukou-system, which is effectively excluding millions of peasants in China from the economic benefits gained the last decades, and a better understanding of the dynamics and interrelationship between developments in subjective perceptions of migrants and development for rural households.

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