

## **Long-term Trends in the Household Income Formation in Rural China**

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### **Abstract**

The purpose of this study is to examine the long-term trends in the household income formation in rural China, using the data from a northern Zhejiang village. It is shown in this study that farm household as economic entity has existed beyond the radical institutional reforms in Maoist era. Private economic activities of household were indispensable for the existence of the commune system in our research field. It is said that one of the important historical characteristics of agrarian society in East Asia is the duration and predominance of small farm households. Our findings can be understood in this historical context. We have found that there are complex interactions between households' economic behavior and the village society. In other words, the process of household income formation in the post-reform era is deeply affected by the village's initial conditions in the pre-liberation era.