# Social Relations, Cultural Networks and Land Transfer Market —— An Investigation on a Border Village in Tengchong County, Southwest of Yunnan Province

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Under the premise of establishing the system of "separation of rural land ownership rights, contract rights and management rights", the volume of transactions in the domestic land transfer market in China is still limited. It is not because of the unclear land property rights or unsound transfer system, but because of the fact that the land is not simply an economic factor. Peasants allow for unforeseen circumstances for their family economies and decide their willingness of land transfer according to the local social habits. Instead of hindering land transfer, the local social relations and cultural networks are conducive to reducing transaction costs, resolving social conflicts, maintaining the dynamic stability of land management rights and promoting the smooth operation of land transfer market. The rational utilization of social culture can facilitate and stabilize land transfer, which will contribute to the implementation of the national goal of achieving a connection between smallholders and modern agriculture as well as accelerate the development of agricultural economy.

Keywords: social relations, cultural networks, land transfer market, modern agriculture

## **RESEARCH QUESTIONS**

In contemporary agricultural management, there are often operators who need to carry out appropriate scale management, which involves the resolution of land fragmentation and decentralization by land transfer. Nevertheless, despite the fact that the central government encourages appropriate scale management through policies such as agriculture-related subsidies, many obstacles still exist in land transfer. Most of the existing studies incline to believe that the reason for this phenomenon is that land property rights are still not clear enough, thus there is an urgent need for further clarification in this respect. For example, many studies have found that the system of "separation of rural land ownership rights, contract rights and management rights" (Tao, 2019; Chen, 2020), the introduction of capital to rural areas (Xu, 2020), the outflow of rural labor forces (Zhao, 2020) and the aging of population (Zhou, 2020) can promote land transfer; but the insufficient "degree of self-development" of the new agricultural management entities and the infringement of peasants' interests in land transfer led by some grass-roots organizations (Lu, 2015; Xu, 2020) result in difficulties in land transfer (Ye, 2016); and the pre-payment system of the rent increases land lessees' pressure on cash expenditure (Wang, 2019) and the unsound social security system (Gao, 2019) can also hinder land transfer. There is no doubt that factors either promoting or hindering land transfer do exist objectively, but can the difficulties in land transfer be resolved by clarifying land property rights, avoiding power rent-seeking of grass-roots organizations in

leading the process of land transfer, or improving the social security level for land lessors? All signs, however, indicate that things may not be that simple. Leaving aside the fact that the central government cannot improve the social security level for land lessors regardless of the cost so as to reassure them about the waiver of land management rights and the reason why post-payment of the rent is acceptable for some land lessors (Tan, 2020). In terms of the clarity in land property rights, to what extent things should be adequately clarified? In fact, the extent of clarity in rights division in the contemporary system of "separation of rural land ownership rights, contract rights and management rights" can rival the historical system of "ownership rights by landlords," "use rights by peasants" and "pre-emption rights by relatives and neighbors" (Huang, 1998:37-41) against the backdrop of private ownership of land. As for the transfer of management rights, at least, it is smooth in the contemporary system. We are by no means certain that land cannot be managed without its ownership rights and contract rights, because management rights are exactly what are needed to carry out appropriate scale management for operators.

Therefore, it may be worth further discussion on whether there are some other important factors that can promote or hinder land transfer and thus it must be taken into consideration in coming up with countermeasures and that need to be studied more deeply? From this point of view, more referential significance might be needed in order to attach importance to the study of the relation between the land and socio-cultural factors. Some researchers, for instance, point out that land is not simply an economic factor, but that it has many social functions (Wen, 2018); and it is impossible for rural migrant workers to be relieved of the waiving management rights of their land thoroughly as long as they are yet unable to afford to support their elderly, raise their offspring and provide for their own retirement in cities and towns on their incomes (He, 2020), so they tend to temporarily transfer the land to their relatives and friends who are reliable and can return the land back to them whenever they demand it, or even to leave the land derelict (Tan, 2020). This paper attempts to point out that it is not hard to find that many nonmarket logical considerations lie in the land transfer with the additional perspective of socio-cultural "habitus" (Bourdieu, 2013), among which there are both contributing and impeditive factors for land transfer, and only by taking these factors into full consideration as well as taking the socio-cultural "habitus" into account, can peasants be truly relieved to transfer the land under limited conditions, thus promoting the appropriate scale management of land.

Except for those with annotations, the materials quoted in this paper all come from the author's field investigation on Shang Village, a border community in western Yunnan Province, from May to October in 2018 and May to September in 2019. There are 12 hamlets (or small natural villages as listed in Chinese government system) in Shang Village, and most of them have villagers from one surname group, while a few of them are inhabited by villagers from two or three surname groups. The village has 3,371 mu (1 mu = 666.67 m<sup>2</sup>) of paddy fields, most of which are planted with paddy and corn, with a yield of about 500 yuan per mu; and some of which are planted with flue-cured tobacco, making an income of about 1,500 yuan per mu. Flue-cured tobacco peasants often need to transfer their land in order to form a contiguous piece of land for planting, and since most of the land lessors are engaged in other means of living whose major source of income is not agricultural production, they are willing to lease their land out while often reserve some of it for growing grains for themselves. The planting of flue-cured tobacco was introduced to the Shang village by the local agricultural department in 2010 as an agricultural project for post-disaster (i.e., flood in 2009) reconstruction, and it has gradually converted from a pattern based on small-scale planting (less than 15 mu) to that dominated by large-scale planting (15-50 mu) since 2016. In 2018 and 2019, the flue-cured tobacco planting covered an area of 520.5 and 530 mu in the village respectively, and the area of the transferred tobacco land for each year was 305 and 325 mu. The land rent for fellow villagers is 400 yuan per mu, while it is 500-600 yuan per mu for outsiders, and the negotiation on land leasing usually occurs in the fall of the year before the planting season.

#### TYPES OF LAND TRANSFER AND LOCAL SOCIOCULTURAL FACTORS

In the field investigation, the author has found that the local sociocultural factors such as blood relations, geographical relations and habitual rules play an important role in land transfer. Therefore, according to these dominant sociocultural factors, land transfer can be divided into three major types: intra-halmets land leasing, land leasing in different halmets within the same village, and <u>cross-</u>village land leasing.

#### **Intra-Village and Intra-Halmet Land Leasing Based on Blood Relations**

Intra-village and intra-halmet land leasing is also known as "land leasing within the halmet," indicating that tobacco peasants lease land from other peasants within their own halmets, and this is the most important way for tobacco peasants to lease land in Shang village. So there is frequent large-area land transfer in this type of land leasing. Since villagers from the same helmet are mainly of the same surname, or at least most of them are, there is often a blood relation, close or distant, between the two parties of land transfer, which enables land leasing within the helmet to become a way of land transfer called in the helmet "land taken by the family members." Tobacco peasants often prefer those lessors who are close to their blood relations when it comes to leasing land for tobacco planting within the helmet, and the common blood relations mainly involve brothers and uncles, and paternal cousins, and most of the blood relatives are within the traditional genealogy named "wufu," which refers to nine generations in the paternal clan. As peasants with close blood relations often have their land adjacent to each other, they usually expand their land around their own paddy fields to form a contiguous piece of land for planting. Of course, there is a precondition for land transfer between blood relatives, that is, lessors are not engaged in flue-cured tobacco planting. Lessees' request for land leasing under this precondition will not likely be refused by "their own family members."

Generally speaking, the local small-scale tobacco peasants have a small demand for a piece of land mostly covering a total area of 5 to 10 mu, and this can be met by leasing from a few blood relatives within the helmet. As for the large-scale tobacco peasants, however, a wider range of land leasing needs to be considered in order to obtain a larger area of land for their large-scale planting, and, for this purpose, they will also prefer land leasing within their own halmet for the sake of convenience. Consequently, based on blood relations, land transfer is endowed with the connotation of testing the relations between the two parties. Thus, a lessor's refusal to lease land to a lessee often implies a denial of their relations to some extent. As a peasant said, "My land is lent to my brother to plant tobacco every other year. My land was supposed to plant paddy this year, and I have already bought the seeds. But when my brother came to have a look at it, he told me that he wanted to have it for tobacco growing because our lands were adjacent, so it was convenient for him to drain the water. We are brothers, and he wants to take it for tobacco growing, and I can't refuse him." A relatively simple and efficient way of land transfer is reflected by the word "na (take)," which provides a proof of mutual trust between the two sides, continues the spirit of "pre-emption rights by relatives and neighbors" to some extent, and ensures smooth land transfer between close relatives while also limiting the range of it. Accordingly, lessees who have a more extensive and closer network of blood relatives (especially a larger number of close relatives) will have more potential opportunities to lease land in the helmet, and the network of blood relations serves as a convenient approach to expand the planting scale for many peasants who try to grow flue-cured tobacco outside of their own contracted land.

#### Cross-Hamlet Land Leasing within Village under the Geographical Relations

Land leasing in different helmets in the same village primarily means that the large-scale peasants lease land from other helmets in the same administrative village when the intra-village land leasing fails to meet their demand for land. The local tobacco peasants would like to lease land from the helmet that has no tobacco peasants. The land lessors will give priority to the peasants from their own helmet if they grow tobacco, and thus hardly there is land available to peasants outside the helmet. Due to close geographical relations within the helmet, the two parties of land transfer are often classmates, childhood friends, or in-laws who are familiar with each other and have contacts with each other in their daily lives (the favor pattern, for instance), so it is easy for them to build mutual trust in land transfer. Therefore, when tobacco peasants lease land from other helmets in the village, they often emphasize their identities as "fellow villagers" in order to facilitate the land transfer. Just as a land lessor told the author, "Though

we come from different helmets, we are fellow villagers, and so we are more or less familiar with each other. They come to rent the land they want. And I don't have to worry that the land will be spoiled because it's taken by my fellow villagers."

Although tobacco peasants often lease land from other helmets in the village, tobacco curing is still done in their own helmet, and thus it means that the operating costs will be increased for tobacco peasants who need to have pickup trucks or motor tricycles to transport tobacco. Nevertheless, even if it is not as easy and convenient as land leasing within the helmet, inter-helmet land leasing is still easier than dealing with people outside the village or even with strangers, and the rent is often the same as that of intravillage land leasing, so it is the first choice for tobacco peasants when they have to lease land outside their own helmets. Regarding this, a tobacco peasant once said, "It's better to be within the village when we need to rent land outside the helmet, where lessors are easier to get along and negotiate with. We are fellow villagers and know each other to some extent, so there is hardly a deliberate refusal of rental request. It's easier to rent land within the village than from other villages."

#### **Cross-Village Land Leasing under the Expanded Network of Relations**

If the leasable land is still inadequate to meet the need of tobacco planting both within and outside the helmets in the village, some tobacco peasants will go beyond the administrative village boundary to other administrative villages and lease land from unfamiliar people or even strangers. However, they often take as intermediaries their acquaintances or friends in the network of their own blood and geographical relations in order to establish contacts with lessors outside their own village. For example, many tobacco peasants take their in-laws, relatives without blood or marital relations, classmates, and workmates in other villages as intermediaries to facilitate land leasing on their behalf, and such a way of land leasing can dispel lessors' worries, save time, reduce communication barriers during negotiations, and transfer lessors' trust in intermediaries to tobacco peasants. Besides, since intermediaries who participate in transactions not only have direct blood or geographic relations with lessors, but also have close contact with tobacco peasants, and they will not charge for intermediary fees in the process of land transfer. A tobacco peasant, for instance, who leased land from other village, told the author, "It was my old nominal father who helped me rent land in his village. He was also a tobacco peasant for a long time, but stopped growing tobacco the year before last, so he asked me to plant tobacco in his village. And he told me that he rented the land on my behalf, so I just needed to plant on it." In other words, without this fictitious "kinship," it would be difficult for the peasant to rent the land successfully. This way of land leasing through the transmission of social relations is common in land transfer market, and it has been called the "replication of relations" (Feng, 2020), which indicates an improvement of peasants' self-development to a certain extent; and essentially, it is an expansion of relation networks.

Compared with intra-helmet and inter-helmet land leasing, inter-village land leasing is mainly conducted by larger-scale tobacco peasants, which occurs at a lower frequency rate. In addition to the above ways of land leasing, through a certain expanded network of social relations, tobacco peasants also tend to lease land from villages where the targets of tobacco planting cannot be accomplished. There are policies such as "guarantees provided by village officials" in the tobacco growing plan of the grassroots government, and in some villages, there are only a limited number of peasants who are willing to plant tobacco and thus they can't reach the targets previously assigned by the government. So if there are peasants of other villages who lease land in these villages for tobacco planting, their share in tobacco growing will be counted into these villages' targets rather than their own according to the regulation, and so the village officials are motivated to be matchmakers, introducing tobacco peasants of other villages to rent land from their own villages. The similarity between this way of land transfer and the previous one is that the expanded network of social relations still plays an important role in them. However, a slight difference between them is that in this way of land transfer, the officials in lessors' village often take initiative to match or even seek lessees through their social relation networks. There are also a few helmets which belong to different administrative villages. Land transfer also can be conducted between them based on geographic relations just like inter-helmet land leasing.

#### USING HABITS AND FARMING SYSTEM OF TRANSFERRED LAND

It has been found that the local land transfer market is not only constrained by natural conditions and market prices, but also influenced by sociocultural factors in the light of nearly a decade of practice in flue-cured tobacco planting, and based on that, relatively regular habits and a sound farming system of the transferred land have been formed, which are mainly demonstrated by the principle of giving priority to close relatives and the habits of post-payment of the rent and cutting down the trees (the tobacco plants are called "tobacco trees" locally) to return land to lessors in the aspect of land using, and the farming system of a combination of the annual crop rotation and seasonal fallow. Corresponding to the local social culture, the land using habits and farming system can support the sustainable development of tobacco farming as well as meet the expectations of both parties for a long-term using of the land, and thus land transfer can be smoothed and the stability of land transfer market maintained.

#### Using Habits of the Transferred Land

During nearly a decade of tobacco farming practice, tobacco peasants have developed certain codes of conduct in the use of the transferred land, such as the principle of giving priority to close relatives and the habits of post-payment of rent, and cutting down trees to return land to lessors, which have shaped the way tobacco peasants behave in land transfer and emphasize the significance of sociocultural factors in it. In the cases of land leasing observed by the author in his field investigation, the principle of giving priority to close relatives is embodied in two obvious ways: tobacco peasants will prioritize renting land from their close relatives, and in turn, their close relatives will give priority to them in land leasing, with both the lessors and lessees enjoying the priority from each other.

Instead of pre-payment of the rent, post-payment is a major way tobacco peasants adopt to pay for their land rent. At the end of the tobacco transaction every year (around in mid-September), tobacco peasants are supposed to pay the rent to lessors because their initial investment has been recovered from the transaction and they can easily afford to pay the rent, and the specific way of rent payment is that tobacco peasants will come to the lessors' home with the rent, counting it out face-to-face. When paying the rent, the area of the land will be re-verified carefully and the rent will be paid in accordance with the calculation method of "making up or rounding up." For example, 4.9 mu of tobacco land will be rounded up to 5 mu, and 3.4 mu to 3.5 mu when calculating the rent. Meanwhile, lessors will also undercharge peasants for one or two hundred yuan consciously. Such moderate overpayment and conscious undercharging in rent payment once again reflect a strong sense of the favor pattern in the form of post-payment of the rent.

Cutting down the trees and returning land to lessors refer to that the land is considered to be "automatically" returned to lessors when tobacco peasants cut down their tobacco plants in the land. The local season is mainly divided into a dry season and a rainy one (the former from October to March and the rest is the rainy season), and the rainy season is for tobacco planting, and so tobacco peasants must finish cutting down the trees by early October so as not to delay lessors' planting schedules in the dry season. In order to complete the task as soon as possible, many large-scale peasants often contract it out to their friends and relatives in the helmet who often lease land to them at a price of 50 yuan per mu, and if lessors plan to grow the crops to be harvested in spring, they can request an earlier completion of the work, and the trees cut down can be stacked in the land and removed by lessors themselves when they start farming.

The above habitual rules, be it the principle of giving priority to close relatives, post-payment of the rent or cutting down the trees to return land to lessors, all show that social relation networks have a strong influence on the land transfer market, and it's certain that there are specific conditions for these sociocultural habits to come into play. For example, the principle of giving priority to close relatives is mostly adopted by intra-helmet land leasing, which is closely connected to tobacco peasants' blood relation networks, while the habits of post-payment of the rent and cutting down the trees to return land to lessors are acceptable to the entire town.

Along with the habits stated in detail in this paper, there are many other acknowledged habits among peasants in the process of land transfer in ancient towns, such as the compensation for a breach of the lease by a premature termination of it, or a conjunction of land leasing and the employment of lessors, which constitute the behavioral logic of tobacco peasants in the land transfer market and determine the practical behavior of tobacco peasants and lessors to a large extent.

# The Farming System of the Transferred Land

Land transfer and farming system are closely related and, to some extent, the former is determined by the latter. There is a "tobacco + grains" annual crop rotation system for the local transferred land, which means that after the tobacco planting in the first year, grains such as paddy or corn will be planted in the second year, and the planting of tobacco will be resumed in the third year, so it is called "no tobacco planting in successive years" by tobacco peasants. If there are successive years of tobacco planting without crop rotation on the same land, the tobacco will be prone to diseases and pests, thereby affecting its yield and quality. Besides, it will also result in a decline in land quality, i.e., "spoiling the land" as peasants call it. According to the staff of the local agricultural station, the planting of grains and tobacco in alternate years can kill the fungi and beetles which are harmful to the growth of tobacco root system by irrigating in the year of grains planting (especially the planting of rice). Hence, there is often a gap of one or more years for most peasants to plant tobacco on the same land, which objectively determines that peasants need to lease alternative land every year. So "the crop rotation on alternative land" generates "alternate land leasing."

Besides the annual crop rotation system, seasonal fallow is applied to tobacco land as well, meaning that the land is left fallow in the winter and spring before the season of tobacco planting. If the land rented by tobacco peasants is planted with the crops to be harvested in spring (mainly the oilseed rape) after the autumn harvest and before the season of tobacco planting next year, the harvest time of the crops will clash with the planting of tobacco seedlings; but due to the small planting area of such crops in every household (1~3 mu), it is feasible for lessors who want to plant them to utilize their spare land or tobacco peasants' land which is rotated to the planting of grains, and tobacco peasants can dispense with the payment for the lessors' cost of leaving the land fallow.

Under the farming system of a combination of "annual crop rotation" and "seasonal fallow," a long-time cyclical pattern has been formed for tobacco land farming: during the first year, the tobacco is planted from April to September, and the crops harvested in spring are grown from October to the following March; during the second year, rice or corn is grown from April to September, and October to next March is the fallow period; during the third year, the tobacco is planted again from April to September. Such a cyclical pattern offers both temporal and spatial "fallow" to the tobacco on the same land, avoiding diseases and pests that might be caused by its planting in successive years, as well as by a decline in land quality.

# THE COMPREHENSIVE EFFECTIVENESS OF LAND TRANSFER AND THE LOCAL SOCIAL CULTURE

Land transfer is deeply embedded in the local social relations and cultural networks, by which the practical effectiveness of the land and agricultural management is influenced to some extent, and the social culture-oriented land transfer not only brings economic effectiveness by reducing production and transaction costs for both parties, but also establishes or strengthens social contacts between them.

#### **Reduction of Transaction Costs**

The lease of land is mainly reached verbally to local tobacco peasants, and throughout the whole process, there is almost no extra transaction cost incurred. In his discussion on "transaction costs," the economist Coase pointed out clearly that the costs can be saved in the operation of a market by forming an organization and allowing some authority to direct the resources, and such an organization is often an enterprise (Coase, 2011). However, the practical experience of land transfer in Shang village conveys that

the local sociocultural factors can also play a role in reducing transaction costs under certain circumstances. In the village, the costs are greatly reduced during the process of obtaining land information, negotiating and concluding a lease. Since the full knowledge of the land is included in the experience for both parties who have lived together in the village for a long time, no extra costs are incurred for tobacco peasants to obtain the information they need. In most cases, tobacco peasants need only a verbal request for land leasing, and even for a more formal way of land leasing, that is, making a request for it by paying a visit to the lessor's home personally. Although the lease is concluded verbally without a formal written contract, it is barely considered a breach of the lease with regard to the network of social relations and the tacit local culture.

The process of land transfer is integrated into people's daily lives, especially in the contacts between them, allowing the blood and geographical factors to play a dominant role in it. As for tobacco peasants, their direct expenditures, especially cash expenditure, on concluding the transactions are largely reduced, and the expenditure on the favor pattern which belongs to the daily contacts is not included in the costs, hence proving their saying that "taking" other peasants' land to plant tobacco. Nevertheless, this kind of land transfer market that depends on the network of relations and the local sociocultural habits is often regarded as being deficient and would have adverse effect on the development of land transfer in the "standard version" of liberalist economics (Wang & Hu, 2019). But based on the local practical experience, the transaction costs in the land transfer that relies on blood and geographical relations seem to be negligible, and such kind of land transfer can be smooth and highly sustainable.

#### Maintenance of the Dynamic Stability of Management Rights

The local land transfer is mainly conducted within the network of acquaintances, so it is more than just an economic behavior. For lessors, leasing the land out to tobacco peasants is primarily to do them a favor, thereby establishing and maintaining a relation of mutual benefit and help with them for a long time. Therefore, land leasing is only a part of human contacts between both sides. A lessor once told the author: "My land is taken to him for tobacco planting every other year. We are family, and we have frequent contacts with each other. Taking the land to him is to do him a favor, and he also helps me with something else." Accordingly, it means that lessees can continue the lease for the foreseeable future. Once they have leased the land, and the temporal stability of land transfer is demonstrated by the land leasing conducted by tobacco peasants in alternate years; and its spatial stability is expressed by the fact that the land leased for the foreseeable future is relatively fixed. Certainly, the relation between a lessee and one of his\her lessors is not unchangeable. The lessor can end the relation in land transfer and make other arrangements for the land through a simple and low-cost negotiation with the lessee, and the lessee can also easily rent an alternative land from other peasants in his\her human relation networks. As a result, the spontaneous land transfer based on human relations is endowed with the dynamic stability in terms of its management rights to a large extent, and as long as the peasants' network of human relations is expanded to a certain degree, in which all peasants contact with each other with a long-term view, the management rights can remain stable for a long time from a dynamic perspective.

As mentioned before, the management rights have always been an important issue in research on land transfer. On the basis of the logical reasoning that land transfer and its management rights can be stabilized only if the land property rights are clarified, the land transfer initiated spontaneously between peasants has the least stability for its management rights (Xue, 2019), and thus it is believed that the establishment of a sound market mechanism for land transfer is the only way to ensure the stability of its management rights. In accordance with the practical aspects concerning local land transfer, however, the land spontaneously transferred between peasants also has a relative stability for its management rights, and that is expressed in a dynamic way, *i.e.*, a dual stability both in temporal and spatial dimensions. The root of this stability lies in the stable human relations between the two parties of land transfer, which is explained by Fei Xiaotong as: "The favor received from others must be paid back doubly through an opportunity, and by doing so, they will owe you a favor. Such contact maintains the reciprocity between people. In a close community, people cannot but owe each other favors, and they are most afraid of

'getting even with each other' which is equivalent to breaking with each other, because where there are no favors, there are no needs of contacts."(Fei, 2018:100)

### Maintenance and Strengthening of the Social Relations

Land transfer can also maintain and strengthen the social relations between the parties involved. This is locally manifested in the responsibilities and rights for each other, the cover-up and resolution of certain conflicts, and the establishment of a new model of economic relations.

Tobacco peasants take priority for leasing land from specific lessors and have responsibility to provide short-term employment for them, and in turn, lessors are responsible to give priority to specific peasants in land leasing and have the priority right to be employed (to do some odd jobs, for instance) by them, so when peasants are faced with a shortage of laborers (mainly during the stages of tobacco picking and curing), lessors have the responsibility to accept those peasants' request for employing them to tackle the problem of labor shortage in time, and a lessor can earn one hundred yuan per day for doing such an employment. In addition, such a practice should be convenient for both sides in the process of land using. For example, lessees should return the land in time to avoid delaying lessors' planting schedules in winter, and lessors should harvest the winter crops timely to enable lessees to grow flue-cured tobacco as early as possible.

If there were any previous conflicts between the two sides of land transfer, these conflicts will be covered up and resolved due to lessors' permission to transfer the land to lessees. There are also occasional conflicts in the process of land transfer, of course, but they can be easily resolved because of the solid foundation of social relations between the two sides. The author has surveyed several lessors who were slightly dissatisfied with their lessees for land rent or land using, but they only complained to their own families, otherwise their relations with lessees would be affected. As a result, even if there is a slight dissatisfaction in a land transfer, it can be nipped in the bud. In particular, it is in this state of social connections that a breach of the lease is the most challenging, so the fact that an acquaintance's unilateral breach of the lease may result in conflicts and the destruction of a long-standing relation must be taken into consideration by the defaulter.

If lessors breach the lease, they need to reach an understanding by helping tobacco peasants to find an alternative land and offering certain compensation, otherwise their relations with those peasants will be vulnerable to a complete breakdown. While if a lessee suffers from disastrous changes in their families (such as serious diseases) and thus has to terminate the lease, they will be easily understood by the lessor and the relations between them will not be affected.

A smooth process of land transfer can lead to closer economic and social relations between the two sides. Other than the demand for lessors' land, tobacco peasants also need lessors' help during the harvest season to alleviate their labor shortage, and meanwhile, lessors are thus able to earn an income during the rainy season when there is a lack of work opportunities. Land transfer brings both sides closer to the center of each other's network of social relations, and they will strengthen their relations with each other as a result of land transfer, thus becoming an economic community to some extent. Such relations, in the words of Fei Xiaotong, are that "close blood relations limit the number of social activities which are mainly conflicts and competitions; and since relatives are our families born from the same root, we, in principle, should help each other." (Fei, 2018:99).

#### **CONCLUSION**

Land transfer has become a common phenomenon in contemporary rural China, which is not only an activity in economic market transaction, but also a social activity related to a specific social culture. All economic activities take place within a certain social culture, and the network of acquaintances based on blood and geographical relations does not always need to impede land transfer as the free market theory claims. On the contrary, it can help peasants reduce transaction costs, resolve social conflicts, maintain the dynamic stability of land management rights, and in turn facilitate the reproduction of social relations. From a sociocultural perspective, the economic and social effectiveness of land transfer are of equal importance and complementary to each other. Besides, by selecting and confirming the management entities from a sociocultural view, the local social culture in fact can reduce the risks for the new agricultural management entities, increases the degree of peasants' self-development and lays an essential foundation for the connection between small holders and modern agriculture as well as for the stability of the land transfer market.

Of course, this does not mean that market and capital are not important in the development of modern agriculture, but it at least means it is not necessarily that only the constant emphasis on clarifying land property rights and the more formalized, complicated and market-oriented transaction of land management rights can better promote the appropriate scale management, thus facilitating the connection between small holders and modern agriculture. Instead, the positive influences of market and capital can be better exerted and small holders' permanent exclusion from them can be avoided under the social culture, and if a clear system of property rights is applied to remove system obstacles in the land transfer market and in the development of modern agriculture, then the exertion of the local culture is aimed at creating a suitable social environment for them. To put it bluntly, the promotion of land transfer demands not only clear land property rights, but also a localized credit mechanism formed by taking advantage of the local sociocultural characteristics according to local conditions, and in the reform of the system of land transfer, it is necessary to face up to the social "habitus" among local peasants in land transfer, otherwise it will be apt to result in the failure or dilution of the effectiveness of the system in practice. Indeed, the scale of the social network of acquaintances based on blood and geographical relations is limited, and therefore may not be applicable to ultra-large-scale management entities in land transfer, but is it necessary to design relevant systems only for the purpose of facilitating the scale management of large capital? In fact, it is neither necessary in terms of economic effectiveness, nor well-founded in the light of social and political effectiveness. In the aspect of economy, based on the analysis of macro data, Huang Zongzhi pointed out that the effectiveness of the new small holder economy formed by "smallscale but highly efficient" land transfer is no less than that of the scale management (Huang, 2020:346). At the same time, indeed it should be defined according to local conditions as to what kind of scale is the "appropriate scale" emphasized by the central government; but undoubtedly, the core spirit of it does not approve of the exclusion of small holders through specific system design, nor does it encourage the promotion of integration of large capital with a larger-scale piece of land. It has been proved in practice that although there is a need to accelerate land transfer on an appropriate scale in order to develop modern agriculture and advance rural revitalization, this does not represent a sole emphasis on clarifying land property rights, but also on a rational utilization of the local social culture which can facilitate and stabilize the land transfer market and peasant management.

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