China's rural development challenges
Zhao, Yongjun

IMPORTANT NOTE: You are advised to consult the publisher's version (publisher's PDF) if you wish to cite from it. Please check the document version below.

Document Version
Publisher's PDF, also known as Version of record

Publication date:
2010

Link to publication in University of Groningen/UMCG research database

Citation for published version (APA):

Copyright
Other than for strictly personal use, it is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), unless the work is under an open content license (like Creative Commons).

Take-down policy
If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

Downloaded from the University of Groningen/UMCG research database (Pure): http://www.rug.nl/research/portal. For technical reasons the number of authors shown on this cover page is limited to 10 maximum.
Chapter 6  Innovative collective land tenure for the poor: case study of a village commune

Abstract:
Chinese peasants do not always follow the state-led reform agenda. An illustrative case is the Yakou commune village in Guangdong Province. This chapter discusses the major drivers for peasant-centred land collectivization in this village, where both livelihoods and land resources of the commune members are assured, in stark contrast to the neighbouring villages. The success of the commune lies in a hybrid land tenure system in which both communal and market-based institutional arrangements are made by the members to take full advantage of their economic and biophysical conditions. Moreover, village governance is closely linked with the legitimacy of the system and strong village leadership. However, in the face of mounting criticisms from the members and the local state, the commune has not consolidated the existing institutional mechanisms to sustain itself. Facing economic and political uncertainty over its future, the village needs to incorporate more effective member participation in decision-making concerning village development. Nonetheless, this alternative path chosen by the peasants explains a critical factor for land tenure reform that is often ignored by policy-makers, that is, that the local economic and resource dynamics and governance are interwoven with land tenure patterns. Their intrinsic relationships and conditions for community-centred land tenure deserve further research.

1. Introduction

I have discussed both individual and collective land tenure systems (chapter 4 and 5) that reflect the mainstream policy developments and local practices concerning rural land tenure reform and its linkages with governance and development. It is important to note that both the so-called market-oriented individualistic land tenure and shareholding arrangements are not contradictory but complimentary. On the one hand, more strengthened individual peasant households’ land and property rights are deemed essential in safeguarding their interests and assurance of tenure security.
On the other hand, this mechanism is assumed to lead to the transparent operation of the land shareholding cooperatives as individuals can use rights to hold the cooperative management accountable. In this respect, the two in combination reflect the current policy trend towards the collective landownership reform due to its induced problems discussed earlier. However, I have shown that both systems have brought about unintended consequences of social conflicts, economic marginalization of the weaker groups and land resource misuses, as the ostensible “rights”-based approach diverges from its underlying context.

This chapter offers a unique example of a shift away from state-led approaches to locally-based land tenure. In fact, the complex nature of rural development and land tenure reform in terms of regional economic, social, cultural and physical environmental requires diversified approaches to the coupling of land tenure and sustainable rural development to suit different regional characteristics. There is a commonly-held view across the globe that a successful land policy cannot be designed at the national level, but must cater for the possibilities and limitations of a particular environment. Furthermore, land policy should aim at improving the livelihoods of the majority poor, while creating a viable basis for production growth and sustainable land use. To arrive at this goal, transparent land governance is essential (Zoomers & v.d. Haar, 2000: 70). Despite the stronghold of the state in prescribing its institutions to the peasantry, local resistance to these changes and development of the peasants’ own preferred modes of land use and management do exist in the vast Chinese countryside. This chapter’s focus on a village commune reveals why and how the communal system has existed and confronted the mainstream market economy. It has been proven to be more effective in equitable rural development and in safeguarding the best interests of its members than state-led approaches.

Dating back to 1950s-60s, state-led agricultural collectivization especially represented by rural people’s communes came under fire because of their failure to generate increased agricultural production and peasant incomes. Explicit in its planned nature in organizing the peasantry and food grain supply and marketing, many members were excluded from participating in overall management and use of land resources. Interestingly, the justification of the commune was based on the state’s aim to tackle the structural problems of rural inequality—differences between rich, middle and poor peasants, and in particular, the reality of small landholdings which were identified as hampering agricultural organization and mechanization (Bandyopadhyaya, 1971). The same objective behind the current land policy changes appears to address the issue of land fragmentation, but in practice obstructs more efficient farming and marketing of agricultural produce as illustrated
in chapter 5. Yet, policy changes have not led to the expected outcomes as long as they remain inextricably linked with the lack of transparency and accountability of village governance. To a certain extent, the current practice in land shareholding cooperatives resonates with the institution of the commune, since collective force in agricultural production is assumed to be more powerful in realizing scaled agricultural production.

The key to successful rural land institutional development, to a large extent, hinges on the mechanisms to bring about stable economic development and rural governance. As the case study of the commune village in southern China demonstrates, peasant deliberation and choice over the persistence of the commune system support this argument. Any type of land tenure, be it individual ownership, shareholding cooperatives, or communal ownership, is a manifestation of local state-society interactions. This would require strong village governance with innovative design of land institutions to cope with political, economic and social constraints. In the context of mounting social inequality and rural poverty in China, the institution of the revitalized commune in this case study further sheds light on the role of collective action in overcoming these social dilemmas (see Ostrom, 2005).

In the context of agrarian reform in many other developing countries, the role of customary institutions has been controversial. Despite their positive contribution to land management in terms of greater space for social equity than modern institutions of individual land holdings, customary institutions are often criticized for entrenched unaccountability and even corrupt land management resulting from ongoing land administrative reform. To a large extent, village leadership or chieftaincy is often claimed to be critically responsible for elite capture and its associated impact on the poor in land reform processes (Ubink & Quan, 2008).

In contrast, the case of the commune village in this study shows that the village leadership is crucial to democratic governance and economic development, which does not necessarily follow government policy dictates. Its capacity to keep the institution of the commune intact from state intervention is revealing. It is important to note that, as compared with other country cases and even the old Chinese communes in the 1960s, the current institution displays a hybrid system in which both communal land management and market-oriented mechanisms such as land leasing and shareholding cooperation co-exist and reinforce each other. Moreover, the village leadership, in the use of its power to define the communal rules derives its legitimacy in serving the needs of the poor rather than its own interests as seen in many other cases (see Chanock, 1985, Firmin-Sellers, 1995; Oomen, 2002). This means that the economic, social and political dynamics of this system determines its
sustainability and value in rural development and land management. It is a case in point that demonstrates the utility of a suitable governance framework that empowers the poor in land use and management.

Against this backdrop, this chapter focuses on land use and management in relation to the broader context of regional development, the drivers responsible for the continuation of the commune system, land management and governance issues of the commune, commune-state interaction, and emerging issues concerning the sustainability of this institution and the implications for China’s pathway to market-oriented land institutional reform.

2. Regional land development and policy environment

This case study was conducted in the Yakou Village of Nanlang Township, Zhongshan Municipality situated in the Pearl River Delta—the most developed economic region in south-eastern Guangdong province (see map 6.1). Yakou is claimed to be one of the few commune villages left in China. Guangdong province was ranked 3rd most populated region among China’s 31 sub-national economies. It is the province where the first parcel of land was “sold” to foreign investors in 1987, and where many so-called innovative rural land use arrangements were experimented in response to growing market demand for land (Prosterman et al., 1998). It was particularly in the delta area in the 1980s that the rapid process of land development took place. As many investors from Hong Kong originated from this region, the vast land of many villages became their destination of direct investments. As elsewhere in the country, land expropriation by the local governments and village administrative committees (village collectives) for housing and infrastructural development is commonplace. They gain lucrative revenues by charging the investors a relatively high price, while paying little compensation to the land losers. During the period of 1996-2004, agricultural land shrank drastically. Accordingly, land used for industrial and urban development expanded by 19 percent. And land used for transportation increased by 40 percent (Lin & Ho, 2005).

---

39 The exact number of commune villages in China is unknown, but there are a few spread out in certain provinces such as Jiangsu, Henan, Hebei and Zhejiang (Nanfang Daily, 2008).
Despite unprecedented economic growth far ahead of other regions, Guangdong faces severe challenges to ensure that its farmland continues to sustain peasants’ livelihoods and food security. It has paved the way to land enclosures that have spread through the entire province as Hong Kong real estate companies pour huge investments into the region (Miao, 2003). The alliance between the state and businessmen has dominated the development process in which peasant and state properties such as land can be illicitly plundered. Rampant conversion of agricultural land to non-agricultural uses has exerted an adverse impact on the poor peasants’ livelihoods and sustainable land use (De Angelis 2001; Hu 2005; Li, 2006; Chan 2007). Rising landlessness among the poor is also coupled with widening social inequality in this province over the last two decades (Fewsmith, 2007). Thus, the study of this developed region at the micro level of the village can yield important lessons for other Chinese regions that are struggling with the effects of marketization and globalization.

In Guangdong, land policy responses have displayed certain features of institutional innovation that allows for more market-oriented approaches to land transfers, for instance, in form of land shareholding arrangements. However, the province has also confronted problems that arise and disadvantage the peasantry during land transfer processes. These problems reveal the fact that the rule of law has not been effectively enforceable in practice. And it is insulated from the daily practice of land management whereby peasants have little power to resort to the law to defend their interests. According to the Provincial Land Department, this is exemplified by the lack of appropriate stipulations on peasant land rights in law, which is exacerbated by the lack of coordination and clear division of responsibilities among the line agencies. For instance, in respect of land resource administration, the relationships
between the land department, construction, forestry and water departments are often blurred. Their conflicting interests in land management can only lead to increased land administration costs, poor land governance and loss of landed assets.\textsuperscript{40}

The policy of rural collective land use rights registration aimed at clarifying and protecting individual household land use rights is a priority for the Guangdong provincial government as elsewhere in China. In practice, rural land registration is not based at the level of individual households (except for housing land); rather, the village collective remains as the basic unit of registration. In some well-managed villages, land registration certificates are issued to the natural village to resolve disputes and avoid conflicts over village boundaries and unsettled claims. Even in a developed province such as Guangdong, overall land registration at the natural village level is unfeasible due to a lack of technological equipment and skills in land survey and cadastral management. As such, rural land registration mainly serves the needs of land administration or policy mandates rather than addressing the complexity of land relations and protection of peasant land rights. \textsuperscript{41} In short, land registration, to a certain extent, remains an empty institution and has not proven to be effective in improving land management to settle various land disputes and historical claims whereby peasants’ interests in land can be safeguarded (Ho, 2005).

Rural land registration conducted at the collective level does not seem to suit this province which was the first to implement economic reform. However, the provincial government does not favour individual land tenure because it does not facilitate economies of scale in agricultural production especially in those areas where land has become a major market factor. Thus, land registration at the collective level would reduce administrative costs and facilitate large-scale agricultural development. This is more needed in relatively developed regions where farmland production has given way to land investments, as a result of which rural-urban migration has become paramount. Moreover, in these regions, peasants’ legal awareness and ability to participate in village governance are more developed than those in poorer regions. Thus, they have more capacity to oversee land governance processes. The more developed a region is, the better the rural land is collectively used and managed, which can facilitate smoother land transfers. This view overtly contradicts the Household Responsibility System (HRS) stipulated in law that assigns long-term land use rights to individual households. By contrast, in remote areas where farming remains the basic means of subsistence, the HRS should be upheld, as the land

\textsuperscript{40} Interviews with Guangdong Provincial Department of Land and Resources officials in May 2008.

\textsuperscript{41} Interviews with Guangdong Provincial Department of Land and Resources officials and experts of the China Land Survey and Planning Institute in May and July 2008 respectively.
itself has not much market value and can still be in the hands of the contracted households that rely heavily on the land to conduct their traditional way of life.\textsuperscript{42}

These perspectives reflect the fact that the overarching central government land laws and policies are reinterpreted and even transformed by the local implementers. Moreover, because of a lack of consensus on the type of land rights and management that best suit the needs of the peasantry, local governments and businesses, land institutions may favour the imperative of economic development more than the livelihoods of the peasantry. The disjuncture between land policies and local realities has continued to obstruct the way in which land use and management ought to be carried out. Against this backdrop, the following account shows how the village collective has responded to the policies and how they have organized land use and management to the maximization of their collective interests.

3. Local responses to land institutional reform

Yakou Village seems to have remained unaffected by the mainstream political economy especially with regard to its own village development patterns. It is among the top 10 most beautiful villages in the province with a large potential for tourism development. With a total population of 3,131 and 928 individual households, it has 8 natural villages consisting of 13 groups or so-called production teams. It is rich in natural resources such as fertile soil, water and forests with 3,000 \textit{mu} (15 \textit{mu}=1 ha) of land for rice cultivation and over 20,000 \textit{mu} of tidal land developed for fisheries over the last 20 years. Above all, its farmland has always been kept under the management of the village collective—the village administrative committee underpinned by the commune system.\textsuperscript{43}

In China, with the nationwide implementation of the HRS to replace the rural people’s communes in the late 1970s coupled with the market reform, the early period of 1978-1984 saw dramatic increases in annual rural incomes of 15 percent per year. But since then, the Chinese peasants have encountered multiple difficulties, which shows that the HRS has not functioned to the degree as originally envisioned. Increases in peasant incomes began to slow down, contract and in some regions even reverse (Hart-Landsberg & Burkett, 2004). Moreover, in recent years, food security has been put at top of the political agenda due to the fact that by 2004

\textsuperscript{42} Interviews with Guangdong Provincial Department of Land and Resources officials in May 2008.
\textsuperscript{43} However, they do not always call the village a commune village. There is no definition of commune in the market economy, because in certain media sources Yakou is called the last commune. And even some local peasants also claim the village to be the last commune in China, albeit there are similar villages in other regions.
China’s agricultural trade deficit was high as a result of a jump in imports (Chan, 2006). With China’s entry into the WTO, the Chinese peasants have experienced negative impacts on their livelihoods and become more vulnerable to local, national and international changes related to agriculture.

In this context, right from the beginning the Yakou peasants faced difficulties over the future of their commune in relation to the mainstream HRS. In fact, even before the HRS was implemented, they had experienced the trend of outmigration as farming gradually became less adequate for them to rely on, while off-farm opportunities provided an alternative. The majority of them who remained were not capable labourers. If they had followed the HRS, they would not be able to till the land as efficiently as possible due to a lack of capabilities and mutual support, according to the village administrative committee. The village Party Secretary, who has been in power since 1974, strongly believes that the HRS fragments rural relations and undermines the village capacity in pursuing collective solutions to human and biophysical problems. He asserts that some village assets like the land should not be divided up and distributed among individual households, whose conflicting interests are not easily compromised. Land quality differs from plot to plot, which would only result in conflicts if it is individually owned. And its fragmentation would further lead to peasants’ vulnerability to natural disasters. In addition, the HRS would result in farmland conversion in the hands of the state and businesses, for individual land users cannot challenge the power of the state in land expropriation. And this would be a disaster for the landless poor. After heated discussions within the village, a referendum was held and consensus on the continuation of the commune system was reached based on the rationale outlined and the need to protect the vulnerable groups. The village’s stance on the latter lay in the power of the collective in leading local development. Thus, it was strongly believed that the village ought to be a self-help organization for the community instead of an enterprise as is the case in other villages in China. The decision to continue the commune system was luckily supported by the then local government. 44

The priority placed on the commune and agricultural development was also based on trial and error. In the 1980s, ideas on industrial development to trigger fast growth were tried out in the village with some positive outcomes obtained. Later on, however, with their vulnerability to the market economy and increases in capital costs, the village administrative committee found that they would shoulder more risks in industrial development than agriculture, as the former had a more negative impact.

44 This account was derived from interviews with the village party secretary and other village leaders in June 2008.
on the natural resources. They decided to close down a number of factories and shift their development priority to the land itself through land leases at the full cost of the lessor (Wang, 2007). Moreover, they understood all the time that China had two social welfare systems for urban dwellers and the peasants partly due to the HRS (Perry & Selden, 2003). The latter have nothing to rely on but their land to meet their needs for livelihoods and social security. By fully developing the agricultural potential of their village, they believed that the double goal of agricultural development and social protection of the commune members could be ensured (Yakou Village Administrative Committee, 2005).

4. Land resource management in Yakou and its adjacent villages

4.1 Land for rural enterprise development in Yakou

Yakou villagers cultivate over 60,000 mu of land annually and they have attained the “xiaokang” standard (enough to eat and live on) since 2000. This is demonstrated by the fact that 10 percent of the households owned private cars and 95 percent live in modern houses built in the 1990s—an outstanding achievement largely due to the way in which the village is managed and how its endowed natural resources for the development of fishery and paddy rice farming are utilized.

As land is treated as an invaluable asset by the village leadership, over the last 10 years, Yakou peasants have turned the sand deposited by tidal waves into a cultivable area covering 26,000 mu. This means that they have reclaimed the land from the sea and extended their coastline by 2.5 kilometres (Nanfang Daily, 2008). Given the fact that many local peasants do not have the know-how to utilize the reclaimed land economically, the village committee promptly decided to take advantage of the market to lease this land to some peasants from the neighbouring provinces to develop the fishery sector.

In order to maximize the benefits from the use of the tidal land and improve peasants’ livelihoods, in 2002 the village committee established the Agricultural Land Shareholding Foundation to institutionalize the use of this land. The foundation is responsible for the management of land leases, land rent collection and distribution. It is open to all the peasants and enables especially women and the elderly to

---

45 The “xiaokang” standard is the long-term development goal of the Chinese government, as average Chinese citizens have yet to attain this standard.
become land shareholders. Land shares can be inherited but not transferred to outsiders in order to ensure the management integrity. It stipulates that of 17,000 *mu* of tidal land that falls within the domain of the foundation, each shareholder maintains an average of 5.5 *mu* that constitutes their land share and the basis of dividend distribution—a major step to ensure equity in land share and dividend distributions (see table 6.1). As a result, till 2007 there had been an annual increase of RMB 500-800 in each shareholder’s income. This figure is expected to substantially increase as the gains from investments materialize in the coming years.

### Table 6.1 Yakou tidal land shares distribution

<table>
<thead>
<tr>
<th>Natural villages</th>
<th>Number of households</th>
<th>Population</th>
<th>Number of males</th>
<th>Number of females</th>
<th>Number of Land shares to each peasant (<em>mu</em>)</th>
<th>Total area assigned to each natural village (<em>mu</em>)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dongbao</td>
<td>150</td>
<td>520</td>
<td>273</td>
<td>247</td>
<td>5.5</td>
<td>2,860</td>
</tr>
<tr>
<td>Pingshan</td>
<td>66</td>
<td>231</td>
<td>112</td>
<td>119</td>
<td>5.5</td>
<td>1,270.5</td>
</tr>
<tr>
<td>Yangjia</td>
<td>124</td>
<td>435</td>
<td>225</td>
<td>210</td>
<td>5.5</td>
<td>2,392.5</td>
</tr>
<tr>
<td>Zhongbao</td>
<td>153</td>
<td>5,267</td>
<td>2,534</td>
<td>2,733</td>
<td>5.5</td>
<td>2,8968.5</td>
</tr>
<tr>
<td>Huamei</td>
<td>52</td>
<td>176</td>
<td>97</td>
<td>79</td>
<td>5.5</td>
<td>968</td>
</tr>
<tr>
<td>Xiangxi</td>
<td>120</td>
<td>382</td>
<td>172</td>
<td>210</td>
<td>5.5</td>
<td>2,101</td>
</tr>
<tr>
<td>Lujia</td>
<td>95</td>
<td>345</td>
<td>170</td>
<td>175</td>
<td>5.5</td>
<td>1,897.5</td>
</tr>
<tr>
<td>Xibao</td>
<td>156</td>
<td>511</td>
<td>252</td>
<td>259</td>
<td>5.5</td>
<td>2,810.5</td>
</tr>
<tr>
<td>Total</td>
<td>916</td>
<td>7,867</td>
<td>3,835</td>
<td>4,032</td>
<td>5.5</td>
<td>43,268.5</td>
</tr>
</tbody>
</table>

Source: Yakou Village Administrative Committee 2005 Yakou Village Record, p 69.

Non-agricultural land is also contracted to factories for the purpose of rent collection, which constitutes another major source of revenue for the village. The village administrative committee upholds the principle that the village itself is not involved in direct manufacturing to avoid capital and management costs. Moreover, no large-scale industries are allowed in the village in order to prevent air and water pollution, and all investments must undergo a preliminary check to ensure that they meet environmental protection standards set by the committee. Land management is underpinned by transparent governance to ensure peasant participation in decision-making over land contracting matters. For instance, decisions over the approval of land investment schemes are based on the consensus reached by the committee members and the representatives of each natural village. In total, more than 70 signatures are collected before the decision is made in order to ensure a high-level of peasant consensus.

In short, the utilization and management of the tidal and non-agricultural land in line with the market are aimed at providing the peasants with the means of survival given
the unique advantages of the land resources that carry great economic value for fast profit. In the context of the rural-urban divide in China and in terms of social inequality between urban and rural residents, sustainable land utilization for the maximization of economic benefits is seen as fundamental to the peasantry whose lack of employment and other economic opportunities make the land their last means of their livelihoods (Yakou Village Administrative Committee, 2005).

4.2 Land for communal agriculture in Yakou

The village collective strongly believes that the farmland is the backbone of rural life and should never be sold or used in any other way. This is the fundamental reason for the continuity of the commune system whereby the farmland has never been contracted to individual households and outsiders except for those tiny pieces of land acquired by the state over the last 20 years. Furthermore, it was the collective action marking the Chinese revolutionary success that the village leadership and majority members believe to be crucial to land equity. In the early 1950s, 83.7% of the land was owned by the landlords, whilst the rest were owned by others (Yakou Village Administrative Committee, 2005: 77). To a large extent, under the commune system, the peasants have been able to sustain and substantially improve their livelihoods, since it is the system that cares about the poorer group and creates the incentives for members to participate in village development.

In practice, the organization of rice farming is based on three levels—the administrative village (often called brigade), natural village (production team) and individual households. Each production team is accountable to the brigade responsible for target setting, technical support and oversight of production. Division of labour depends on demographic differences and no compulsory tasks are given to the members. In contrast to the old commune system in the 1960s, labour inputs are directly linked to the distribution of rice harvests in the end. A system to record individual labour inputs called gongfenzhi (system of work points) was inherited from the past with some modifications to ensure the accuracy of each worker’s time spent in the field. Received benefits do not differ much not as the use of extensive labour is relatively low due to the employment of tractors and other machinery. In this sense, work is not harsh, nor is there disparity in labour inputs. After the harvest, the brigade purchases the grain from each production team at a price that is 50 percent above the market value and then sells it to the members at 30 percent lower than the market price. In particular, since 2001, children below 16 years of age and elderly peasants above 60 years (for women it is 55 years) and disabled groups have been
provided grain ration free of charge. After all, only a small proportion of the grain is sold on the market. The commune adopts this rule to deal with unexpected food insecurity and to maximize the members' benefits and interests in farming.

Further rules on helping the vulnerable poor are put in place. For instance, the peasants who migrate to cities can always return to the village and become commune members to till the land, in case they encounter unemployment in the cities. In the event of return and their wish to work in the field, they are required to seek the village’s approval in the beginning of the year and to pay a fee of RMB 100. Once they have been regrouped into the production team and started farming, they cannot move out in the same year. This is to ensure that farming is not affected. Although they seem to have limited freedom, all these measures aim to keep the balance in the overall agricultural production and demographic changes to ensure that the commune runs smoothly. But for those who are unwilling to work in the field, they do not enjoy this treatment. Thus, a system of equality is ensured that is open to every peasant. No one is not forced to take part in any communally-organized activities. Till 2008, of 1,700 capable labourers, over 600 peasants participated in farming over 3,500 mu of paddy fields. Equitable distribution of remuneration for farm labour is guaranteed. This differs from the commune in the 1960s when everyone could enjoy daguofan (eating food together from the same bowl) (Nanfang Daily, 2008).

The Yakou commune members point out that this system enables scaled agricultural production without fragmentation of individual farmland. This view certainly differs greatly from the property rights school that argues for individual landownership to achieve similar development outcomes (see Bramal 2004; De Soto, 2000). To the village leadership, organized farming and industrial development is essential to the provision of social welfare to the peasants. In fact, few profits are derived from rice farming per se, which is subsidized with the revenues from the collection of tidal land and other non-agricultural land rents. This is an important approach of the commune to take full advantage of the market economy. As a result, the entire economic development of different sectors is balanced out (Cao, 2002-2004). The market still plays an important role in revenue generation that supports agriculture and social welfare. With the well-developed social welfare system including provision of housing, clinics, pension and special care for the elderly, few Yakou peasants wish to move to the cities. Especially the women are not willing to apply for urban residency when they marry urban residents. By doing so, they can still retain their social welfare benefits. As some informants revealed, becoming urban residents mean that they would become “hungry residents” afterwards.
4.3 Land for developers in neighbouring villages and stakeholders’ perspectives

4.31 Land use development for commercial gains

In stark contrast to the case of Yakou, neighbouring Cuiheng village (see map 6.1) presents a case of farmland loss and aggravation of peasants’ livelihoods. According to the Cuiheng village administrative committee, the average household annual income is in the region of 6,000 Yuan, which is much lower than that of Yakou. Yakou and Cuiheng used to be one village, but split after the rural administrative reform in 1998. Since the 1990s, Cuiheng has experienced state land acquisition at an alarming rate. To date, tens of thousands mu of land have been converted to real estate and industrial development uses. Not only farmland, but also large tracts of tidal land and mountainous land were appropriated. However, much of the expropriated land remains either underutilized or idle. The affected peasants were given the choice to buy new houses; however, with very limited compensation received, they could not afford them but had to move to other places. The local government has begun to redress these issues since 2007 by improving land acquisition procedures including issuing land use certificates to land occupants to safeguard their property rights. Yet, not more than a few hundred mu of farmland are left in Cuiheng, as most peasants have either migrated to cities or stayed in the village but involved in non-farming activities. The village administrative committee has made use of the remaining land for industrial development to raise some revenue. Besides, they also induced the peasants from other regions to work on the land, taking advantage of the latter’s skills and techniques in growing cash crops. Almost 70 percent of the remaining land has been leased to them, but for those who have lost their land their source of income is limited.

Home to Sun Zhongshan, founder of the Republic prior to the People’s Republic, Cuiheng is known for its history. The local government has strived to make it a tourist destination as well as an area for business development. Two instances of development are prominent examples to demonstrate the impact of new land use development on the livelihoods of the poor and responses of the local peasants and village committees.

In the first instance, the establishment of 300 mu of Zhongshan Movie and Television Town was a huge project to showcase the history of the village and the nation’s

---

46 Interviews with Cuiheng Village Administrative Committee members in June 2008.
great leader. It also has hotel and entertainment venues. In order to exhibit the village architecture to tourists, a large proportion of the village houses have been kept intact in the style of the Qing dynasty. All the residents were asked to vacate their houses and land, which sounded odd to them in terms of the need for it. Most households have left for the cities and other villages. Only a few households remained together with a few guards and cleaners. Compensation for the displaced households has not been agreed on especially for those who remained on the site.47

In the other case, the expansion of a reputable secondary school also met with difficulties in terms of obtaining the agreement from the affected households. The latter’s concerns were mostly about the unsatisfactory resettlement plan and the amount of compensation provided by the government. This project was listed as one of the major undertakings of Zhongshan municipality, since the school is under the jurisdiction of the Zhangshan Educational Bureau. Also as a nationally-designated priority school, it attracts students nationwide. Strict student selection procedures are applied. In a request or rather a demand to the municipal government, the school management put forward two issues constraining the school expansion process—delayed and incomplete household removals and 101 mu of litchi land that had yet to be acquired. Immediately, the government gave the project a higher priority and convened a meeting to coordinate with different line agencies as well as the township government that had been blamed for being too slow in completing the project land use plan and warned that further delay would cause the failure of the school to admit new students in the next semester. All these pressures were placed on the Cuiheng village administrative committee that was obliged to accelerate its land acquisition process in which more peasants would be affected. Apart from the issue of insufficient compensation for the affected households, some did not want to vacate because they saw the increasing value of their properties especially for those living in close vicinity to the market. “Even if I am given a compensation fee of RMB 1 million, I still want to stay here. But it is not possible to win any battles with the government that can use any force including public security guards to make us to leave”, as one informant pointed out.

Overall, on average, each household received an estimated RMB10,000 as land compensation without any social insurance guarantee. Although they were also provided new houses, they did not receive housing ownership certificates due to the unwillingness of the real estate agencies to apply for the certificates for them. And

47 This is a further example of people’s refusal to vacate their land for development, which resonates with the cases of nail houses found in other parts of China.
48 Fieldwork in Cuiheng village in June 2008. This section and the following paragraphs are based on the interviews with the peasants and village leaders in Cuiheng.
the cost of a few thousands Yuan also deterred many from applying for the certificates.

Likewise, another neighbouring village, called Xiasha, has suffered from land loss since the 1990s. In 1992, under the pressure of the local government, Xiasha had to vacate almost all the land except the 300 mu of land earmarked for building a new village for the evicted peasants. Although they were offered new houses, they only received an average of RMB10,000-20,000 as compensation. At that time, this was seen as a big sum, which caused jealousy among some Yakou peasants. However, a large proportion of the expropriated land was left undeveloped, and it was no longer suitable for farming. Furthermore, many evicted peasants had left the village to seek off-farm opportunities in the cities and could not return to the village because there was no land left for them (Cao, 2008).

4.32 Divergent perspectives

In the discussions about the pressing land issues, it can be seen that Cuiheng shares with other regions in China. The village leaders reaffirmed the importance of making land valuable for the village. They see the role of the government in guiding land development through scientific and integrated development plans rather than pushing peasants into the land market where the peasants can transfer their land freely. More importantly, the land acquisition process must include an element of fair compensation to the peasants whose approval of the plan must be made a priority. Currently, 70-80 percent of affected peasants must agree to the land acquisition and compensation plan as required by the land law. Village leaders also admitted that some peasants and even some village leaders were unwilling to embark on landed rural development (indirectly pointing to the case of Yakou), which can be attributed to their limited insight, knowledge and capacity. They pointed out that rural development in China had always been a huge challenge and there was little to learn from the experience of the past and from other villages, as conflicting interests of groups and individuals always pose huge difficulties to decision-makers. For instance, where land acquisition is concerned, peasants differ hugely. Some do not want to vacate their land; but in Cuiheng, many elderly people do because of their age and little hope of prosperity from the land itself. They would rather rely on the income earned by their children in the cities. Thus, they think highly of education, which they see as the only means to get out of the rural area. Again, this shows the divergent views of the peasants and village leaders over land use in terms of how

49 See previous chapters for discussion of the issues surrounding property rights approach and land market.
land can be best utilized to benefit local development and the poor. In this respect, traditional farming may not be always profitable; rather, replacing it with cash crop farming may be better in light of current market demand.

The Cuiheng village leaders foresaw that land would be privatized sooner or later in China. They did not explain this but emphasized the unstoppable trend of land market reform. Yet how land privatization could be brought about and what the effects on the poor peasants would be remained a puzzle to them. When asked about the land registration progress which is supposed to play a role in clarifying landownership and protecting peasants’ land rights, they said that it was ongoing since it was started not long ago. But they did not think that it was important to land management and overall local development, for it was just an administrative formality. For them the government’s priority should be placed on ensuring peasants’ land rights in land management process. In other words, provided that all the land acquisition procedures satisfy the needs of the peasants, the latter would be willing to give up the land eventually. Moreover, they pointed out the importance of land use planning that should be further strengthened. Failure to do so had much to do with the government abuse of power and the lack of sound governance processes concerning farmland conversion.

Compared to the village leaders, the majority of the peasant informants in Cuiheng held the view that it would be better if they were allowed to sell their land directly so that they circumvent the intervention of the local government. First, they believed that they could not do anything about the future of the land in the face of forced removal by the government. They realized that the land would be given away to the government sooner or later. And some even argued that there would be no farmland left in Guangdong. Second, agriculture in Guangdong, like in most parts of the country, is not profitable at all, which is a stumbling block to their incentives in farmland investment. Third, they simply want to keep small land plots for their housing and other needs and even lease the land when they find off-farm employment opportunities. Above all, a lack of access to legal aid and other means of social support add fuel to the burning tensions between them and the local state. This is compounded by the ineffectiveness of land law and policy that can be easily manipulated by the alliance of local government, businessmen and village leaders. For example, the law only requires two-thirds of the villagers to agree to the land acquisition plan. Yet they knew that in most cases as long as the alliance members could strike a deal, the peasants themselves would be left with little leeway but to sign the agreement. In this sense, they even argued that at the very least land privatization would give them more secure rights than collective ownership.
More interestingly, when commenting on the neighbouring village Yakou, the Cuiheng village leaders hinted that the Yakou peasants would have been better off had the land been contracted out because rice farming was being run at a loss. This view also resonated among some Yakou peasants who were concerned about the sustainability of the commune itself.

4.33 Yakou’s responses to the criticisms

The Yakou village leaders pointed out that Cuiheng had nothing left but the unfinished buildings and fragmented housing land. For instance, they revealed that most of the enterprises in Cuiheng had not secured profits after land expropriation. As a consequence, the Cuiheng peasants had become landless, and in particular, their customs, language and kinship relations had been severely affected because of the fragmentation of the village social relations.

Furthermore, the Yakou village leaders upheld the commune as a model in the reform era, as an opposing force against industrial infiltration into the farmland. They showed their discontent with the market reform as compared with the pre-reform era in which the people’s commune was paramount. Neither did they understand the meaning of the Chinese revolution in respect of the current situation where peasants’ land is forcibly taken away by the local government and developers. Resonating with many villagers’ complaints in other Chinese regions, they basically questioned how social harmony, social equity and moral righteousness achieved in the collective era of the 1950-60s could be brought back (see Hurst & O’Brien, 2002; Jacka, 1998; Lee, 2007). For instance, they criticized the model pursued in Dongguan—a small booming industrial city in the province whose development has driven many peasants off their land. As a result, the farmland has become a site for industries which caused air pollution and environmental damage to the surrounding natural resources. In their view, this type of rural development only benefits the government and businesses. Thus, the commune is an effective institution that offers protection to the peasants against losing their land to the mighty few. But they recognized the role of the economy in sustaining the commune system. Yakou is unique in its geographical location and natural resources—the key to the local economy. The same type of commune could not be feasible in other regions. In any case, the land redistributed to them through the revolution of the Communist Party ought to be preserved rather than snatched by others. Thus, the development of the land market and even potential land privatization would negate the Communist Party’s struggle and meaning of the revolution. In the spirit of equitable development and collective management of the village, the Yakou peasants managed to donate RMB 110,000 to
the Sichuan earthquake victims and their families in May 2008, while only a few thousand Yuan was collected in the neighbouring villages such as Cuiheng.

5. “Silent struggles” in rural land governance

Land to the Yakou village leadership has never been the means to short-term profit gains. On the contrary, land preservation and its sound management have been given the highest priority. In fact, “never sell our land” has been one of their guiding principles. This is evident in their worship of the “god of land” in all households that regard it as the symbol of peace and prosperity. Nonetheless, for the village leaders, maintaining the commune has never been an easy task given the mounting political and economic pressures discussed earlier. They have had to cope with the internal discontent and even the intervention of the local government in their silent struggles.

In recent years, there have been several rifts among the peasants as to whether the commune system ought to be continued. Obviously, in the absence of strong village leadership, many members believed that the commune would not have functioned effectively. One-third of the informants disagreed on who really owned the land. But most of them thought that the real owner was the collective. Concerning land use, some contended that the paddy fields should be sold to outsiders so that they could use that money to do whatever they wanted. They also expressed their concerns over the commune’s agricultural inefficiency. As some young peasants argued, they would rather use the land for other more efficient purposes, because they have the opportunities to seek off-farm employment. Some even contended that there was nothing wrong with land privatization as long as equality and their benefits from the land are ensured. They felt that they had lost the rights to directly use the land, which the HRS would otherwise have granted them. As some saw it, the peasants in Cuiheng were in a better position to gain meager profits from land expropriation, but the Yakou peasants have lost this golden opportunity.

Moreover, the commune was criticized for lacking insights to adopt advanced technology and initiate innovative agribusiness activities. It was thought that the commune should be transformed into to a more effective institution that helps the poor members out of poverty, as a large group of them could only make their ends meet. Even though they work on the paddy fields, on average they could only receive RMB 700 per person according to the village statistics of 2007.
For the elderly and unemployed, the farmland provides a minimum safety net on which they can always rely. Thus, they were against partitioning or further fragmentation of the land. Furthermore, they thought that in the event of implementation of the HRS in this village, they would not gain much in light of the low agricultural subsidy from the government and rising capital costs of farming. In addition, land privatization or decollectivization would cause further economic disparity within the village. They also mentioned that only those who managed to find nice jobs outside the village would favour the HRS. Overall, about 70 percent of the informants showed their contentment with the fact that land still remains in the hands of the village, which was the biggest achievement of the commune. At the same time, they thought that neither the commune nor land privatization would be the weapon against illegal land evictions. They advocated more solutions to improve land use efficiency.

These views reflect the ongoing challenges for the village leadership to address. The village leaders argued strongly that discontinuation of the commune was short-sighted, unwise and lacked thorough factual basis. They did not believe that the land sales can contribute to the maximization of profits from new development opportunities given the vulnerability of the market economy and the lack of opportunities for the commune members. As the Party Secretary contended,

*Dismantling the commune by dividing up the land or even allowing for land transfers might yield quick income to the members, but they must not forget that when the money is used up, they cannot do much for themselves and for their offspring who will have no land to rely on in the end.*

To the commune leaders, the only way to ensure equity is to keep the land as it is now. It is believed that in the era of economic uncertainty especially low economic returns from agriculture, the commune plays an essential role in the rural economy. It also regulates all kinds of activities and relations that can safeguard the peasants’ best interests. However, they also recognized that there mounting pressure on the paddy fields. The more people kept returning to the village from cities, the more difficulty it was for the commune to accommodate their needs.

Struggles over the existence of the commune between the peasants and the commune leaders reached a climax when a few members formed the “anti-corruption action group” publicly accusing the village committee especially the Party Secretary of corruption and abuse of power in 2001. This group also sent letters of

---

50 Interview with the Yakou village Party Secretary in June 2008.
petition to both the Zhongshan municipal and provincial governments. Their accusations focused on two issues--transparency in land management and continuation of the commune. This action aroused the serious attention of the Nanlang township government which sent four special task teams to the village to carry out household investigations. It also sent township auditors to examine the village financial accounts of 1997-2004. Based on the 752 household surveys (87% of the total number of households) and the auditors' reports, these allegations were refuted. In particular, the findings showed that the Party Secretary had enjoyed a high reputation among the commune members that explained the effectiveness of the village leadership in the fight against poverty and village governance. As a result, the village committee was cleared of all the charges, which enabled the commune system to continue (Yakou Village Administrative Committee, 2005: 164).

The village-state land struggles also take place in silent and sometimes undetectable ways. The strong village leadership has managed to deter many claims and deflect discontent over the commune. To deal with this, the local state could only resort to other means to use the village land. To promote tourism, for instance, it built roads for the development of a forest park at a later stage in the hills owned by the commune. By doing so, it may claim its ownership after the park is built, since by then the village would probably find it extremely difficult to manage the mountain resources, according to the village committee. Another example shows that the local development also uses its policy agenda to promote its interests. As Yakou is prone to typhoon and flooding, mangrove trees were planted along the coast to prevent natural disasters. However, according to the local peasants, this practice may not be effective and moreover, it could affect the marine ecosystem. Again, this was seen as another step by the local state to extend its power to the village. Step by step, it could lead to the fragmentation of village land and collapse of the commune system, according to a member of the village committee. Furthermore, he held the view that the village and local state did not always have the same development goals, which was a driving force behind the struggles over limited resources and power to control them.

Furthermore, Yakou village is claimed to be the only one village without rural collective land registration as required by the 2007 Property Law and mandates of the central and local governments, despite numerous local government notices and warnings issued. As the farmland in this village has never been contracted out to the individual households, the village leaders had a strong reason to refuse registration. Local government had no other response but to complain about the backwardness and stubbornness of village leadership who were not open to further discussions. It seems that the local government found it difficult to strike consensus with the village
leadership especially the village Party Secretary whose insistence on the commune system had averted many of their interventions. However, in an interview with village administration committee, the main reason for this lies in their unwillingness to pay the registration fee, although no information on the fee was released. Obviously, there were more underlying issues behind their stance. According to the local land bureau, the Yakou village committee was concerned about land acquisition and farmland loss to the local government in the event of land registration. This also reflects the fact that local government or any public oversight over the land use arrangements is ineffective. The local land bureau does not possess sufficient knowledge of details about how the farmland is leased and cultivated to determine whether they meet relevant policies and requirements. Again, the village collective in managing the commune seems to be able to make the best use of the collective landownership as a weapon against the arbitration of the local government.

6. Commune as an effective governing institution?

This case demonstrates that the institution of the commune can be a weapon of the weak that empowers them to manage their land and tackle some of the economic and political challenges facing them. In contrast to most of the village collectives that do not serve the collective interests, the Yakou commune manifests itself as a better community-centred collective institution. Because it serves the interests of the members, the village leaders can use it as a strong excuse to deter local state’s interest in land. In the current Chinese context, sound rural land governance requires a strong village leadership through a reasonably established democratic governance system as exemplified by their daily management and elections in the case of Yakou. Primarily, the village Party Secretary is recognized as their rightful leader—someone who is not involvement in corruption, who is self-disciplined and passionate about helping his fellow villagers and with a strong belief in the power of collective action in village development and governance. Not only is the village Party Secretary an experienced village leader, but he is regarded as the most important person for the commune. There is no single case in which he was involved in banquets or dinners with visitors and local government officials. He is thrifty—most of the time he goes barefoot and rides a shabby bicycle. More strikingly, the village committee work most of the time including holidays even during the Chinese Spring Festival, and usually till 9:00 pm. To make everyone in the committee equal, their salaries are kept almost the same regardless of ranks. Moreover, they all have the power to approve any village policy documents and financial dossiers. They are elected by the members through their active participation in the election process. Consequently, the village committee is so strong that it is seen by the members and even outsiders as
a shining example for the rest of the country in terms of the dedication of the leadership to work and well-established effective working procedures.

Yet, social or, more overtly, political divisions within the Yakou commune itself do not appear to ever cease as many interviewees confirmed. Essentially, local peasants want more from the commune in terms of better distribution of benefits from land management. With the impact of the neighbouring villages that are experiencing land seizures and in some cases receiving an increased amount of cash compensation, many of them think that sticking to the land is not economically rewarding. In particular, the dominance of the local government in deciding on how land should be used makes them doubt the sustainability of the commune. They are at a loss as to how their land can be better managed to meet their increasing needs of secure livelihoods and more efficient economic returns.

To a large degree, although the village leaders have attempted to improve the mechanisms for accountability and transparency built into their daily work, they have yet to develop more effective means to enhance peasants’ incentives to participate in village governance. Unavoidably, some members have expressed their discontent with the committee and begun to become sceptical of the power of the commune in dealing with external and internal oppositional forces. The village committee, like many other similar institutions across the globe, functions as the lowest level of government administration. And peasants’ involvement in village affairs is fixed in a structure that resembles that of the state. The art of village committee functioning is a just a microcosm of the bureaucratic ideal of statecraft (Fairhead & Leach, 2003; Ribot, 1999). This also explains the fact the village leadership plays an essential role in maintaining the current system, without which the commune may have collapsed. In addition, the rules developed by the village leaders may not favour all of the members and the local state. Likewise, not all the collective decisions made are democratic, which may not lead to stable outcomes (Nagendra & Ostrom, 2008). In short, how to improve village governance in the overall context of autocracy in China presents a daunting challenge for its effectiveness and sustainability. Nonetheless, compared with other villages in China, to a certain extent, Yakou is a model village, despite its own internal problems simply because of the fact that it manages to make its own land tenure system work for the majority of its members. Even its own governance is far from being “perfect”, at least the strong leadership in maintaining this pro-poor land tenure system is virtually unsurpassed by others. A strong leadership as this case describes is desperately needed in China for the sake of development for the poor and good governance.
7. Conclusions

This chapter demonstrates that land institutional change in China’s market reform and economic transition cannot be understood without paying attention to the conditions and dynamics of local contexts. The case of the Yakou commune explains the fact that the local peasantry can determine their own forms of land institutions that better suit their needs and local economic, political and environmental parameters. The continuity of the institution of the commune is a paradox in the mainstream land institutional reform—the HRS and land shareholding cooperatives, underpinned by a market-oriented approach to land use and management. This approach has proven to be detrimental to the livelihoods of the poor as Yakou’s neighbouring communities demonstrate. It also explains that collective or communal land arrangements, on condition that village economic development suits the needs of the poor, do ensure land tenure security.

The case of Yakou commune differs from the rural people’s communes prominent in the 1960s in three major aspects. First, under the people’s commune, commune members had no freedom to choose their jobs. In Yakou, they are absolutely free to decide on the opportunities that suit them, since it is an open system. Second, under the people’s commune, there was no individual economy; everything was organized by the commune as a collective. As Oi (1999) points out, the whole incentive framework was distorted by the ideology of the commune. In contrast, in Yakou, except for the paddy fields under collective operation, the rest of the resources are managed in light of market principles through land leases to other parties. In this sense, the village has a mixed economy which allows for the achievement of both economic efficiency and social equity for the poor. Third, under the people’s commune, village leaders were appointed by the commune. In Yakou, they are democratically elected and represent the interests of the majority voters (Cao, 2002). All these features indicate that collective choice over land management can achieve better economic outcomes when the collective institution is able to adapt to the demands of the market economy and peasants. Thus, the Yakou land system is a hybrid one that integrates both market and collective institutions, which is the key to its success. In facing economic uncertainty and lack of social protection for the rural poor, the Yakou commune provides a viable alternative for the majority of its members.

Land is a manifestation of economic and political power struggles among peasants, local government and other stakeholders in the Chinese countryside. Land rights can be understood in terms of who actually occupies the land itself. Yet the more critical point is who owns the land—a contentious issue in China, which lies in the symbolic
meaning of land rights. As Zhang (2007) contends, symbolic land rights are more appropriate. By symbolic land rights he means that land itself has its far-reaching implications for state control. Through manipulating power over the masses the state actually manages to exert the ultimate control over land rights. As a result, land displays its inherent feature as a symbol of state power. This is easier to understand for the Chinese peasants who all know that their land does not really belong to them, although their long leasehold and use rights have been greatly enforced. Zhang argues that it is hardly meaningful to discuss about the landownership issue—privately or publicly owned—in China. Rather, it is more useful to explore the underlying issues of dialectic relationships between land rights and power, which is important to understanding justice and equity concerning land rights.

Following Zhang’s argument, it can be seen that the Yakou commune appears to be a symbol of village power in managing the land and in its struggle with the local state, which has far-reaching implications for China’s land governance. As the state has tremendous power in decision-making, and despite numerous policies and laws to tackle poor land governance and unsustainable land uses, without limiting the overt power of the state these policies and laws would be ineffective in addressing the mounting issues of land tenure and rural livelihoods. The government itself is still trapped in its transition because of poor governance (Pei, 2006). In this context, the chapter shows that there is a huge gap between policy and the actual local context. This deviation can only make the policy ineffective or it may even aggravate the local situation. Thus, the Yakou commune is a local institutional invention that galvanizes the collective power and resources to maximize local economic and political interests. Moreover, it appears to be a social institution—an alternative to the institution of the HRS that puts individual households at the mercy of the market and state control. It is still a powerful institution to confront the state in its use of collective force. Its strength shows that the system itself must be built on the peasants’ needs for livelihoods and participation in rural governance and development. However, as peasants lack engagement with the state through formal channels such as the legal system, they have developed indifference to their role in working with the state in nation building. Thus, it is a challenge to reorganize them to provide incentives and enhance their capacities in participation in governance. This further explains the institutional vacuum of the state in its relationship with the poor. The commune fills it in to certain extent.

Social and political relations in the rural setting always embody complex struggles over land tenure. The commune is a reflection of these struggles and more importantly, collective power over the state and others. It is also an important resource for the articulation of collective identity and a means of dialogue between
the powerless and powerful (Coombe, 1998). However, peasants’ concerns and disagreement over the existence of the commune reveal the urgency of tackling issues of rural economy, improvement in governance transparency, accountability and peasant participation on both village and local government levels. Without this approach, the covert village-state and intra-village struggles will continue. In this sense, at least, the commune appears to be a weapon of the weak, although it has less power in rebellion and revolutionary mobilization (Scott 1985; Walker, 2008). Thus, an in-depth study of the commune can explain the many issues and dilemmas concerning peasant-state relations over land and local development, which has far-reaching implications for the understanding of collective versus individual action in rural land reform in China.

This case study contributes to the ongoing theoretical debates on rural development in an international setting whereby the causes of poverty and solutions are focused on market-oriented and social relational approaches. The latter is widely recognized as the key to understanding transformative policies and political processes that restructure social relations (Bernstein 2008; O'Laughlin, 2008, sited in Borras Jr., 2009). Thus, the institution of the commune or the hybrid land tenure systems is a manifestation of both approaches, without which it would not have been possible for the commune to achieve the current levels of land protection and equitable village development as compared with its neighbouring villages. Moreover, it contributes to the understanding of extra-legal issues of land tenure reform in comparison with the conventional approach of formalization of land tenure earmarked as individual landownership (Assies, 2009). Obviously, communal land tenure in the case of Yakou offers a re-thinking of all these approaches and important implications for policy options in the course of China’s transformation. It is in this process that more community-centred and flexible policy approaches ought to be sought by policy-makers.

It is far too early to assess the wider development impact on the village and the response of the village to the mainstream economy. But the decision over its development trajectory ought to be made by the commune members themselves. The crux of the matter is whether they would like to continue this system; and if they would, how they will be able to guard themselves against “foreign” intrusion. To a large extent, this will be contingent upon the power of the local government and real estate agencies, which even resort to force to pursue land seizures (Nanfang Daily, 2008). Moreover, the Yakou village leaders have to mitigate the conflicting interests of their own members to provide them with a more effective sustainable development framework. Intra-village social and political divisions can actually complicate the communal land rights arrangements. In other words, communal rights are not as
homogenous as conceived by the proposition of common property regime (see von Benda-Beckmann, 2006; Nagendra & Ostrom, 2008). At least, the Yakou model shows that a local land institutional design that largely suits local needs can be initiated, and many elements of this innovation can be shared with other regions. Essentially, the effectiveness of a land tenure system is embedded within the overall pattern of land use, rural governance and development, among other parameters. Yakou peasants manage to make these combined elements work in order to sustain its commune.

For policy makers, it is of utmost importance to include land governance in the overall framework of rural development for the design of integrated programmes, which maximize the potential of land through better management and reflection of local realities. The Yakou leaders still need to forge wider societal support for improved efficiency and better governance; above all, through further empowering the members in participating in decision-making and institutional building more effectively. The case of Yakou implies that the mainstreamed land tenure approaches may not work in the interests of the poor land users, since the linkages between land tenure and the social, economic, environmental and political determinants in a given setting are not properly understood.

References


Cao, Zhenghan 2002 信念，效率与制度变迁—广东省中山市崖口村公社制度研究 (Belief, Efficiency and Institutional Change: Study on Commune System in Yakou Village, Zhangshan City, Guangdong Province), Beijing: China Economy Press.

Cao, Zhenghan 2002 “以平常心态看崖口的‘公社体制’” (Views on Yakou’s commune system in a peaceful mind), *Nanfang Dushibao*, 13 September.


Miao, Ye 2003 “China’s land market creates pressures”, *Asia Times*, 20 August.


Yakou Village Administrative Committee 2005 *Yakou Village Record* (internal publication and circulation).
