The Evolution in the Chinese Arable Land Policy since 1978

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Abstract: The arable land policy has undergone dramatic evolution reform and opening up beginning in 1978. The striking one is household responsibility system in stead collective operation in people’s commune, which was established in 1960s. With the deepening of the reform of the socialism market economic system, the changes in arable land policy is to: 1⁴, the land policy has been becoming more sophisticated. The execution and supervision system of land policy is more perfect; 2⁵, the number of land policy is decreasing but its quality increasing; 3⁶, land policy theme is more comprehensive. The vicissitudes illustrate the socioeconomic development in Chinese countryside.

Keywords: people's commune; household-responsibility system; reform and opening-up

Introduction

The Chinese arable land policy has experienced historic change after 30 years of reform and opening up. The paper discusses the change in the Chinese arable land policy from the three angles: late people's commune, household-responsibility system, arable land management policy, so as to probe the basic characteristic in the evolution of Chinese arable land policy.

The arable land policy in late The people's commune

The Tenth Session of the Eighth Central Committee of the CPC passed “Sixty Articles on the Work of the People’s Communes (Amendment)” on September 27, 1962. The relevant arable land policies as follows: to protect the people's commune arable land ownership; When land owned by collectives are to be requisitioned for state construction the matter shall be handled in accordance with the provisions of the relevant law, and arable land should be occupied as little as possible, the state and collective construction land, must be strictly in accordance with the provisions of the law, try not to occupy farmland; the arable land including housing land are not allowed to rent and sale; improve water conservancy facilities constantly, soil and water conservation; In certain circumstances, commune members are allowed to farm private plots from collectivity to make up for food shortage and sell their produce and keep the earnings [1].

The Third Plenary Session of the Eleventh Central Committee of the CPC decided to shift the focus of the work of the Party and the State to the economic modernization. China society entered a new period of “Socialism with Chinese Characteristics”. Meanwhile, the state has formulated some arable land policies.

The Session also passed “Some Questions on Accelerating Agricultural Development (Draft)”. The following are some of major ones: prohibit the all levels government free use labor, arable land, livestock, machinery, capital, which owned by production team; private plots for personal need, operated within the limits prescribed by law, is a complement to the socialist public economy; the distribution of income from arable land was possessed by the people’s commune, the production brigade and the production teams three level [2]. However, the majority of income was distributed to production teams; the basic construction to save arable land, try not to occupy least arable land; to draft land law as soon as possible. These were beneficial to improve peasant’s living standard.

On April 1, 1979, the Ministry of agriculture, Ministry of finance, National Land Reclamation Bureau, the Agricultural Bank of China jointly released “Notice about Strengthening the Reclamation Management of Rural People’s Commune”. According to the address stated in this notice, commune reclamation should aim to successfully mix reclamation and plowing and sowing and raising crops. “The Constitution of the People's Republic of China” was revised and passed on December 4, 1982. Article 13 of the Constitution stipulates to restore township, town and village system as before [3]. This marked the people's commune came to an end.
Household-responsibility system since the early 1980

Marked by the Third Plenum of the eleventh Central Committee of the CPC in 1978, the first 30 years after the foundation of the PRC, the arable land policy is characterized with politicization, collectivization. The following 30 years is the period of household-responsibility system, which can be roughly divided into the following stages:

The first stage was the breakthrough stage (1978.12–1984.12). The rural land use system accomplished fundamental change. The people’s commune is characterized with planning system disintegration; household-responsibility system was established in an all-round way.

In September 1979, the Third Plenary Session of the Eleventh Central Committee of the CPC passed “Some Decisions of the CPC Central Committee on Accelerating the Agricultural Development (Draft)”. The Draft stipulates “household responsibility system” in the PRC history. At the same time, the government allowed to implement “household responsibility system” in remote village because of food shortage [4]. Deng Xiaoping affirmed the policy on May 31, 1980. These accelerated arable land reform evidently. In September, Central Committee issued the “Questions on Further Strengthening and Improving Agricultural Production Responsibility System”. The document regarded the collective economy as the foundation of China’s rural economy, and fully affirmed the professional contract production responsibility system, especially household responsibility system [5]. Hereafter, the system of responsibility for production promotion expanded rapidly, especially the household responsibility system. Half countryside began to execute the household responsibility system in October 1981.

In January 1982, the CPC Central Committee approved the “Summary of National Countryside Working Conference”. It pointed out: “the implementation of the agriculture production responsibility system in countryside, including household responsibility system is the socialist collective economic responsibility system for production”. This document promoted the household responsibility system rapidly [6]. 78.8% peasant households had implemented the household responsibility system and say goodbye to people’s commune.

In January 1983, the CPC Central Committee issued the “Some Questions on current countryside economic policy”. It claimed that the household responsibility system is a great creation of Chinese farmers under the leadership of the party. The document stipulated that government at all levels should be activity support the policy as long as the peasants welcome it [7]. Hereafter, the household responsibility system was implemented not only in low mechanization northwest countryside but also in developed coastal areas and the high agricultural mechanization northeast. By the end of 1983, 97.8% peasant household enter household responsibility system era. The policy was further developed in the following years.

The CPC Central Committee released “Notice on National Countryside Working” on January 1, 1984. The document stipulated the household-based land contract policy. The main contents were as follows: the government stabilized and improved household responsibility system; lengthened land to contract period till 15 years; encouraged arable land concentration to farming experts gradually. Farmers were compensated from their arable land investment. Their contract arable land was not allowed to sell, not leased, prohibited to shift land used for farming to others [8]. These measures combined the unified management with decentralized management, optimized the allocation of agricultural resources, and improved agricultural production efficiency.

The second stage was the stage running-in period (1985.1-1991.12). In this stage, as state planned economy to market economy shunt, the agricultural economic system was reformed in depth. The state monopoly for purchase and marketing policy was cancelled with Chinese countryside reform deepening. The state carried out the policy of state monopoly over agricultural production purchase and marketing and solved the food crisis in the early period of the establishment of the PRC. Prices of agricultural productions were determined in the marketplace but were not dictated by central planners. The supply grain exceeded the demand for the first time in 1984. It manifested the success of household responsibility system.

On January 1, 1985, the CPC Central Committee issued a document “Ten Polices on Developing the Countryside Economy”. The document pointed out: after cancelling equalitarianism in collective economy (It was well known for getting an equal share regardless of the work done in China), the key works in countryside were to further reform on agriculture management system, to cancel the state monopoly over agricultural production purchase and marketing, to give more rein to market forces in agricultural production demand and supply, to develop agricultural marketization, to promote optimizing rural industrial structure, to realize rural economic continuous development. These were key reform fields in second stage [9].

The CPC Central Committee, the State Council released the “Deployment on Countryside Work in 1986” On January 1, 1986. The document pointed out:
countryside had begun to develop a planned commodity economy. It was essential to coordinate agriculture and rural industrial development[10]. The document involves land contractual management problems.

The CPC Central Committee issued “Circular about Deepening Countryside Reform” on January 22, 1987. The circular pointed out: to improve the dual-level operation system which combined decentralized with unified management, to stabilize household responsibility system; to develop economic combination in various forms; to adjust the industrial structure; to promote the transfer of agricultural labor. On June 25, 1986, the Standing Committee of the National People’s Congress enacted “Land Management Law of People's Republic of China”. It affirmed family responsibility system on the legal form, made further development on land contracting policy, allowed land transfer for the first time [11].

There were some problems in household responsibility system in implementation. For example, some local government infringed policy and farmers’ willing, took back farmers’ contracted land arbitrary. These frustrated the wishes of farmers the enthusiasm of farmers greatly. Aiming at the confused practice, the CPC Central Committee and the State Council stipulated document “Notice on agriculture and countryside in 1991”. It claimed Party committees and governments at all levels put agriculture and countryside work in the first place, stabilized and improved household responsibility system, established and perfected agriculture socialized service system. The Thirteen Plenary Session of the Eighth Central Committee issued “The Decision on the further strengthening agriculture and Countryside” on November 25, 1991. The decision first clearly stipulated: the dual-level operation system which combined decentralized together with unified management and household responsibility system as main point was a long-term basic system of collective economic organizations in Chinese countryside [12].

The third stage is the transition phase (1992.1-1996.12). This stage refers to the traditional countryside economy began to turn into modern market economy. After Deng Xiaoping’s Southern Tour Speech in 1992, the countryside economy turned out a new upsurge, especially the Eighteenth National Congress of the CPC decided to establish socialist market economy. The following are some of major land policies in the stage.

Household responsibility system was added to the Chinese Constitution in 1993. It became the basic economic system as well as solved the long-term controversy and reproach on this system. On November 5, 1993, the CPC Central Committee, the State Council issued “Policy measures for Agricultural and Countryside Development”. It clearly put forward: “The land tenure will be extended 30 years of after the previous land contract expires.” All parts of the country set out the second round of land contracting in line with the policy in 1993 [13]. The State Council approved “Notice on Stabilizing and Improving Land Contract Relationship” on March 28, 1995. The document required governments at all levels to support land contract implementation, advocated household contracted land didn’t increase because of its population increment in the contracted duration and vice versa, set up the mechanism of land circulation [14]. On August 27, 1997, in order to make further stabilization and improvement on land contracting policy, the CPC Central Committee, the State Council jointly stipulated a “Notice on further stabilizing and improving the rural land contract relationship”. It made specific provisions on land circulation [15].

The fourth stage is great development stage (1997.1-2002.12). Traditional agriculture converted modern market agriculture after the second round of land contracting. There were several policies as follows:

On September 12, 1997, the 15th National Congress of the CPC passed “Hold High the Great Banner of Deng Xiaoping Theory for an All-round Advancement of the Cause of Building Socialism with Chinese Characteristics Into the 21st Century”. The report emphasized the long-term stabilization of the dual-level operation system which combined decentralized together with unified management and household responsibility system [16]. On August 29, 1998, the 9th session of the National People’s Congress passed “land management law” amendment. The policy of “land tenure 30 years” was added into law above.

On October 14, 1998, the Third Plenary Session of the 15th Central Committee of the CPC passed “Resolution of the CPC Central Committee on Several Major Issues concerning Agriculture and Countryside work”. It approved household family responsibility as well as long-term stabilization of agricultural and countryside policy [17]. Of course, this principle also applies to land contract policy. On October 11, 2000, the Fifth Plenary Session of the 15th Central Committee of the CPC passed “suggestions of the CPC Central Committee on National Economic and Social Development 10th five-year plan”. The plan pointed out, to accelerate countryside legalization of land system, long-term stability of dual-level management which combined unified and scattered operation base on the household contract management were new requirements for the family contract policy at the turn of the century, encouraged qualified area to actively explore the reform of land management right circulation based on the long-term stability of the land contract relationship.
On August 29, 2002, the Standing Committee of National People’s Congress passed the “Law of the People's Republic of China on the Contracting of Rural Land”. The Law concerning the land contract policy is as follows: first, the state carries out the rural land contracting management system. Second, the state protects the land contracting right in line with Law. Third, women enjoy equal rights with men on land contracting. Fourth, the transfer of land contracting rights must abide by the principle of voluntariness. Fifth, the state may not take back the contracted land from household during land tenure [18]. The Law of the People's Republic of China on Specialized Farmers Cooperatives, adopted at the 24th Meeting of the Standing Committee of the Tenth National People’s Congress of the People’s Republic of China on October 31, 2006. This Law is enacted for the purpose of protecting land contraction relationship between government and farmers supporting and guiding the development of specialized farmers cooperatives, regulating their organization and behavior and protecting their lawful rights and interests and those of their members, and promoting the development of agriculture and of the economy of rural areas.

The Third Plenary Session of the Eleventh Central Committee of the CPC passed many reform measures to farmers. Farmers will be given more property rights from land. They are encouraged to develop a shareholding system from which they can realize benefits. Meanwhile, they can also sell a share or take it as collateral or warranty. They also have the right of succession. Moreover, the homestead system in rural areas will be improved, and farmers’ usufruct rights of homestead will be ensured. A pilot program will be carried out in some areas to discover other channels for improving farmers’ income. A rural property-rights trading market will be established.

Conclusion

The Chinese arable land policy has undergone tremendous changes from reform and opening up in 1979. 1st, the land policy has been becoming more sophisticated. The execution and supervision system of land policy is more perfect; 2nd, the number of land policy is decreasing but its quality increasing; 3rd, land policy theme is more comprehensive.

There are three characteristics in content of land policy as follows: 1st, the land policy is flexible and innovative. Such as family-responsibility policy is a representative one; 2nd, the land policy is explorative. For example, management system for the paid use of land is a example. 3rd, the government drew lessons in making land policy. Fourth, the improvement of land policy is in proper sequence.

There are four main problems in land policy: 1st, the majority of land policy is in the macro aspect, but is short of counterpart. 2nd, land property policy is too unspecific, lacks maneuverability in practice. 3rd, land mortgage mechanism and the collective land circulation policy is incomplete.

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