Upheaval in Chinese Villages

A Case Study of Rural Land Expropriation for "Large-Scale" Commercial Farming in Rural China

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Abstract

Tens of millions of Chinese peasants are in the process of being uprooted from their agricultural land and farmhouses, leaving them in the short run with few means to sustain their families. This study examines a very recent campaign in China to consolidate land for large-scale commercial farming, analyzing three major actors, namely agribusiness entrepreneurs, local government officials, and peasants. This example of very large-scale rural land grabbing is tightly connected to the new state-led campaign of "Constructing a Socialist New Countryside." By comparing two models of land consolidation, defined by the author as "reversible" and "irreversible," she argues that the top-down implementation of the campaign favors the "irreversible" model, thus causing many unintended consequences, including forced land dispossession, a rise in agrarian capitalist land accumulation, and increased hardships on vast numbers of peasants who have now lost much of their autonomy, while becoming precarious wage laborers.

About the Author

Kan Liu: After receiving Bachelor's degrees in Economics and Chinese Literature at Berkeley, Kan is now a PhD student studying Geography at UCLA. She was born and raised in a small hamlet in rural China, the fifth daughter of a peasant family. She also worked several years on an assembly line in South China. As a peasant veteran, she is committed to peasants' rights globally.

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1 Introduction

The new Chinese government-sponsored campaign "Constructing a Socialist New Countryside"(社会主义新农村建设)—or "New Countryside" (新农村)for short—which seeks to completely modernize China's "backward" rural society, has put a new spotlight on China's Eleventh Five-Year Plan, first announced in 2005. Since its initial implementation, development projects have rampaged through every village, transforming Chinese rural society according to a particular "modern" perception, namely one focusing on the new, on orderliness, on cleanliness, on density, and on tall buildings. Every rural region in China—in particular central and western inland regions previously excluded from the rapid economic development of recent decades—is now undergoing a transformation. Now, finally, their chance has come to modernize. In support of this national campaign, local administrative officials have embarked on a program of land consolidation by promoting the "transfer of land use rights"(土地承包经营权流转), or "land transfer"(土地流转)for short. By promoting modern agriculture, the goal is to transform China's agricultural sector from one based on small peasant households to one based on large-scale and market-oriented commercial farms. Supporters of the campaign firmly believe that large-scale farming is a necessary path—if not the only path—to solve China's agricultural problems and create a brand new countryside. Forcefully accelerating the land transfer process in hinterland regions simultaneously has as a goal the release of ever more "surplus" labor from the agricultural sector, thus continuing to fuel China's almost miraculous economic growth of the past two to three decades, which has heavily relied upon labor-intensive manufacturing. Through further urbanization and industrialization, the Chinese government hopes to reduce the agricultural population to less than 30 percent (from its current 48 percent) by 2025.[1]This very recent rural phenomenon has thus far attracted relatively little scholarly attention, despite its potential to affect hundreds of millions of people in China over the course of the next decade.[2]

This paper seeks to explore a set of questions revolving around the state-led "New Countryside" campaign to transform rural China. What is involved in the rural land transfer process? How, practically speaking, does it work on the ground? Numerous actors are involved in the land transfer process, including the state (particularly at the county and the township levels), private entrepreneurs, and small farmers. What has been the impact of the campaign on the different actors? What has motivated state officials to support the entrepreneurs? How has state-led rural development shaped agribusiness practices and/or is shaped by the demands of the private sector? Whereas the focus of the research is on China's domestic "land grabbing," China is increasingly playing a role in rural development in Africa. It is hoped that better understanding China's domestic campaign will provide insight on China's involvement in the Global South as well.

Current research by scholars and journalists has focused on two types of large-scale land dispossession at the hands of Chinese businesses and government authorities. The international press has played an important role exposing one of these, the notorious land seizures in or near many large urban areas for the purposes of real estate development projects. Scholarly studies by Hsing You-tien and others have provided detailed analyses, examining how this form of land

[1] According to the Chinese National Bureau of Statistics, as of 2011, the Chinese population reached 1.347 billion people, of which 48.7% consists of the rural population. See "People's Republic of China 2011 Economic and Social Development Statistics Bulletin 中华人民共和国 2011 年国民经济和社会发展统计公报," 2/22/2012 <http://www.stats.gov.cn/tjgb/ndtjgb/qgndtjgb/t20120222_402786440.htm>.

[2] For the only substantial scholarship on China's "New Countryside," published shortly after the inauguration of the Eleventh Five-Year Plan, see Jingzhong Ye 叶敬忠, *Nongmingshijiao de sinnongcunjianshe* 农民视角的新农村建设, (Beijing: Shehuikexuewenxianchubanshe, 2006).

dispossession in Beijing, Shanghai, Guangzhou, Chongqing, and other provincial capitals has fueled a "demolition economy."[3] A second subject of growing attention involves China's land grabbing overseas.[4] In recent years, confident with its economic growth, China has begun to emulate Western countries in seeking to secure natural resources, including land, in countries all over the world. China's overseas investments, especially in the Global South, has begun to attract the attention of the Western media, NGOs, and scholars, all of whom have come to recognize a familiar pattern of Chinese land grabbing. In 2008, GRAIN, a non-governmental organization in Spain identified China as a major "land grabber." The present paper expands on our understanding of Chinese-organized land transfers and seizures by examining land grabbing in inland rural China. Over the last five to seven years, in thousands of rural villages all across China, peasant farmhouses have been seized and demolished in order to consolidate agricultural land to support large-scale privately-run commercial farms, theme parks, high-tech agricultural exhibition centers, high-rise apartments, etc. Scholarship so far on this very recent phenomenon (discussed in more detail below) has generally taken a macro-level perspective, without taking into full account the concrete impact of land transfers on the lives of the individuals involved. This case study seeks to remedy this lacuna.

2 Overview of the "New Countryside"

After three decades of radical economic reforms focused on an export-oriented industrial model, China's economy has become one of the largest in the world and continues to grow at a fantastic rate. However, not all Chinese citizens have benefited equally from China's recent economic successes. An institutional framework known as the household registration (*hukou*) system has created an "invisible" wall that divides agricultural from non-agricultural households. Originally implemented in the early 1950s to prevent the rural population from relocating to the cities, the *hukou* system assigns to every individual a place of permanent residence. Decades ago, it was not possible to obtain ration coupons away from one's *hukou*, making it impossible to subsist away from home. However, beginning with the economic reforms of the 1980s, the *hukou* system has been gradually loosened, in order to give newly emerging manufacturing and exporting zones in South and East China access to China's rural labor supply. However, many social benefits granted to urban dwellers are not available to rural migrants, preventing them from enjoying public education, health care, and other forms of social insurance available in large cities. As a result, when migrants have children, become sick or injured, or grow old, they must return to their rural homes.

It is true that rural-urban migration has partly alleviated income inequality between advanced regions and inland areas. However, this same phenomenon has accentuated weaknesses in the agricultural sector. More specifically, because young migrants have rushed to the cities in tremendous numbers for jobs and other opportunities, the entire generation from 18 to 45 years of age is often largely absent from rural villages. In these villages—often referred to as "hollow villages" (空心村)—one only encounters older adults, as well as their grandchildren, sent back to the villages because their parents cannot afford schools or child care in the cities.[5]As a result, the elderly are not only the main labor force in China's agricultural sector, but also the main caretakers of children. Not only does China's agricultural sector remain underdeveloped, there has also been a significant decline in the size and quality of the agricultural labor force, which Christiansen identifies as one of

[3]You-tien Hsing, *The Great Urban Transformation: Politics of Land and Property in China* (Oxford: Oxford University Press, 2010).

[4]Irna Hofman and Peter Ho, "China's 'Developmental Outsourcing': A critical examination of Chinese global 'land grabs' discourse," *The Journal of Peasant Studies* 39:1 (2012):1-48.

[5]Jingzhong Ye and Pan Lu, "Differentiated Childhoods: Impacts of Rural Labor Migration on Left-behind Children in China," *The Journal of Peasant Studies* 38:2 (2011): 355-377.

the reasons contributing to the "food security" problem in China.[6]In contemporary China, this set of phenomena is usually referred to as the *sannong* problem.[7]

The "New Countryside"—first introduced and formulated in 2005 as part of China's Eleventh Five-Year Plan—was designed to address the *sannong* issue through formal government intervention. The plan proposed modernizing China's "backward" countryside by pouring money directly into rural development. In this paper, I have focused on one of the most radical elements of the "New Countryside," involving the dislocation of large segments of the rural population from their homes into recently constructed "new villages/resettlement districts" (新村/安置区). As proudly remarked by one township party secretary, "All natural villages in this township will disappear in the near future as the 'New Countryside' experiment further progresses in this area."[8] The township in question—near Wuhu on the Yangzi River—is currently constructing 6,000 apartments at a single "village" site, capable of accommodating 23,000 people. Ironically, the entire township population is currently only 20,000.

Although quite radical, this approach to reconstructing the countryside is, nevertheless, preferred for two reasons. The first reason involves China's particular conception of modernization, in which tall, new buildings have special symbolic significance. The construction of multi-story apartment buildings in the rural "new villages" can be explained partly on these grounds alone—from the Chinese perspective, tall buildings are a necessary component of the modernization process that is at the core of the "New Countryside" campaign. As a result, government central planners believe that, because of the cachet of urban life in China today, peasants would prefer to live in urban-like communities with thousands of apartments concentrated in one location. To be sure, modern conveniences built into these new apartments—including reliable plumbing, electricity, and the internet—are greatly appreciated by the peasants. It is no surprise, then, that the township party secretary was so proud to replace "natural villages" with the "new villages."

The second critical reason is that the Chinese central government has become increasingly concerned in recent years with guarding China's "national grain security" (国家粮食安全). In 2006, the government calculated that it was necessary to cultivate 1.8 billion *mu* (approximately 120 million hectares)[9]of land in order to produce enough food for the whole nation. On a macro level, planners have sought to achieve this goal by assigning specific quotas to each city and township, restricting the amount of land that could be used in non-agriculture-related construction. To allow certain urban centers to circumvent these land quotas, China's Ministry of Land and Resources (国土资源部)subsequently promulgated an experimental "urban-rural construction land exchange" (城乡建设用地增减挂钩) program in certain parts of China, with the goal of reaching a compromise between grain security and urban land requirements.[10]For example, a city now can exceed its assigned quota by "generating" equivalent amounts of agricultural land in rural areas elsewhere in

[6]Flemming Christiansen, "Food security, Urbanization and Social Stability in China," *Journal of Agrarian Change* 9:4 (2009): 548-575.

[7]Jun Han, *Pojiesannongnanti: 30 niannongcungaigeyufazhan* (Resolving the Difficult Problem of the Three Rural Issues: 30 Years of Rural Reform and Development) (Beijing: Zhongguofazhanchubanshe, 2008) 韩俊, 破解三农难题: 30年农村改革与发展 (北京: 中国发展出版社, 2008).Sannong literally means "three agricultural [issues]." The "three" refers to peasants, rural villages, and agriculture. Note that the state has focused more on the economic facet of these problems, rather than on the impact of rural-urban migration on village society.

[8]"Gongyehuachengzhenhuadazaoyiyeyijubinjiangxinzhen 工业化城镇化打造宜业宜居滨江新镇,"*Wuhu Daily* 7 June 2012:2.

[9] 1 hectare = 15 *mu*.

[10] "Chenxiangjiansheyongdizengjianguagoushidianguanlibanfa 城乡建设用地增减挂钩试点管理办法," *Ministry of Land and Resources of the People's Republic of China* 27 June 2008 <http://www.mlr.gov.cn/zwgk/zytz/200903/t20090302_685435.htm>.

the county. A common approach to "generating" agricultural land involves precisely the concentration of scattered peasant households into high-rise apartments. By then demolishing old farmhouses and "re-cultivating" the land on which the farmhouses stood, China's overall agricultural land can be increased, thus countering land lost to urban real estate and industrial projects.

Although there has been general acclaim and praise for the achievements of the "New Countryside" in newspapers and televised news reports, the Chinese media also occasionally broadcasts criticism from Chinese government officials and scholars alike. As early as 2010, an editorial published in the *Southern Weekend* criticized the notorious practice of "forcing peasants to go upstairs" (逼农民上楼)—that is, relocating peasants against their will into the newly constructed high-rise apartments inthe resettlement "new villages."[11] The editorial noted that local governments sometimes demolished houses that peasants had themselves recently built using their own funds. Other scholars have criticized many practices associated with the "New Countryside" as a perversion of the campaign's stated goal of "supporting agriculture and benefiting peasants" (支农惠农).

There has been a similar range of opinions about the "New Countryside" among scholars. Most scholars taking a macro-level perspective have tended to praise the new developments. The Chinese economist Justin Lin (Lin Yifu), for example, advocates for the new countryside movement on the basis of classic Keynesian theory—that increasing government expenditure on infrastructure in the rural countryside would boost weak rural domestic consumption on manufactured goods (e.g. refrigerators, televisions, washing machines, etc.), thus shifting the direction of the Chinese economy away from an export-oriented focus.[12] Lin argues that constructing a new countryside not only would solve the problem of the glut of manufactured goods by creating a new consumer base, but also would reduce rural-urban disparities in standards of living. StigThogersen, on the other hand, asserts that the "new countryside" campaign may serve to strengthen social cohesion and morality in rural China.[13] As Thogersen observes, both Chinese government officials and intellectuals are concerned about increasingly "selfish" and "uncivil" individualist behavior among Chinese people, who have lost the guidance of either socialist ideology or traditional morality following post-Mao decollectivization and the radical economic reforms of the 1980s.

Focusing on the macro-level, however, disregards the questions of how the government campaign has been implemented at the local level and what the impact of the government campaign might be on the lives of individuals. The only substantial scholarly study of the "New Countryside" focusing on peasants, by Ye Jingzhong of China Agricultural University, was published in 2006, shortly after the initial implementation of the "New Countryside" policy. Ye and his research team focused on peasant perspectives on rural development, interviewing 480 peasants from eight villages in four different provinces. The team utilized the central government's five-point guidelines in evaluating the "New Countryside": "productivity development" (生产发展), "comfortable livelihood"(生活宽裕), "the civilizing of village morals"(乡风文明), "orderliness and cleanliness of villages" (村容整洁), and "democratic administration" (管理民主). The survey revealed that, between these five points, peasants prioritized improving land productivity and increasing family income more than the other three points. However, the study also found that, in practice, most local governments invested their limited funds almost entirely to bringing order and cleanliness to the villages. Ye and his group

[11]"Difang 'quandiyundong' ponongmin 'shanglou' kongweixian 地方'圈地运动'迫农民'上楼'恐违宪," *Southern Weekend* November 3 2010 <http://www.infzm.com/content/52105>.

[12]Yifu Lin, "Xinnongcunyundongyuqidongneixu" (A New Village Movement and Stimulating Domestic Demand), *Xiao chengzhenjianshe*, 8 (2005).
林毅夫, 新农村运动与启动内需, 小城镇建设, 2005 年第 08 期.

[13]StigThogersen, "Revisiting a Dramatic Triangle: The State, Villagers, and Social Activists in Chinese Rural Reconstruction Projects," *Journal of Current Chinese Affairs* 38:4 (2009):9-33.

proposed two reasons to explain local government efforts. One was the lack of funds available to local governments. When agricultural taxes were eliminated in 2006, local governments lost one of their main sources of revenue. With only limited financial support from the central government, the first round of the "New Countryside" campaign focused on improving village appearance—planting flowers, renovating toilets, removing trash from around farmhouses, etc.—which required less capital investment, yet led to visibly observable change. A second reason involved the system of career evaluation of officials. This system evaluates government officials based on accomplishments exceeding assigned quotas. The evaluation system is based on quantitative measurements rather than quality.

A few additional studies have also addressed the subject of local government officials. Cai and Guo argue that local government officials and party cadres are the major land predators, taking advantage of rural collective ownership.[14]In contrast to this predatory model, Schubert and Ahlers argue that county and township officials play a positive and critically important role when executing and implementing the "New Countryside" policy on the ground.[15] Local government officials form a "strategic group" that efficiently coordinates as many as 14 autonomic departments and sources to develop local economies. Schubert and Ahlers conclude that, by and large, this arrangement constitutes a win-win-win situation, for the central government, the local government, and the villagers as well.

Both these macro- and micro-level studies of the "New Countryside" remain invaluable for understanding the impact of rural reconstruction development on rural society. However, the "New Countryside" campaign has survived now for over five years, beyond the conclusion of the Eleventh Five-Year plan. The Twelfth Five-Year plan of 2011 asks for the "acceleration of the construction of a Socialist New Countryside" (加快社会主义新农村建设). Initially, at the time of Ye's study, the campaign involved only two actors: local governments and peasants. Now, in addition, private agribusiness firms have begun to participate actively in large-scale land transfers. Without doubt, it is time for an up-to-date analysis of the "New Countryside," taking into account the agribusiness entrepreneurs and their relationships with local government officials. This paper explores the latest development in the national campaign to modernize rural China. What are the impacts of allowing the private sector to invest in, actively plan, and manage "New Countryside" development, especially on peasant livelihoods and rural society? What role do local government officials now play in this rural reconstruction process?

3 A Case Study of Rural Land Transfer for "Large-Scale" Farming

To explore these questions, a case study was carried out focusing on Anhui, an inland province in central China. Anhui Province relies primarily on agriculture as its economic mainstay; it is also one of the largest suppliers of migrant labor for coastal industrial centers. In July 2011, I conducted preliminary interviews with both peasants and county-level bureaucrats involved in land transfer projects in two counties in southern Anhui. In June 2012, I returned to one of these sites—Nanshan County—for more fieldwork. I also visited Beishan County, in northern Anhui Province, to conduct further research. Studying these two counties offers the possibility of assessing the impact of crop-

[14]XiaolinGuo, "Land Expropriation and Rural Conflicts in China," *China Quarterly* 166 (2001): 422-39.
Alvin So, "Peasant Conflict and the Local Predatory State in the Chinese Countryside," *The Journal of Peasant Studies* 34:3 (2007):560-581; Yong-Shun Cai, ''Collective ownership or cadres' ownership?
The non-agricultural use of farmland in China,''*China Quarterly* 175 (2003): 662–80.
[15]Gunter Schubert and Anna L. Ahlers, "County and Township Cadres as a Strategic Group:
Building a New Socialist Countryside in Three Provinces," *The China Journal* 67(2012): 67-86.

specific requirements on land transfer—Nanshan is in a rice-growing region, whereas Beishan grows corn.

Over the course of the month of June, I interviewed several local government administrators, including two county-level, seven township-level, and seven village-level officials. It is worth mentioning that all local officials I interviewed were quite willing to talk to me despite a tendency in other situations to be suspicious of overseas researchers. In fact, in accordance with the Chinese Communist Party's long tradition of using experimentation at the local level as a policy approach, "New Countryside" model sites are publicly described as "experimental" (试点).Different local governments are encouraged to undertake different implementation strategies, and officials overseeing any one project welcome researchers and journalists as a way of advertising the successes of their own local model.[16]Besides government officials, I also interviewed fourteen private agribusiness entrepreneurs, and eight "landless" peasants who had been coercively moved out of their homes and off of their land. In order to experience peasant life after displacement, I lived four days and three nights with a "landless" peasant household in a new resettlement village—Golden Lake New Village in Nanshan County. It should be noted that all person and place names have been changed in order to protect my informants.

One important research limitation involves sample selection. I obtained contact information for agribusiness firms (referred to as ***dahu*** below) from county and/or township officials. It is very possible that local government officials directed me towards agribusiness entrepreneurs with whom they had personal connections. Consequently, I did not encounter many of the smaller agribusinesses that were organized without village or county government support. ***Dahu*** data from Nanshan County is most likely to suffer bias as a result. Because the Beishan County government has gotten involved in land transfer just this year, local village officials there did not yet have lists of registered entrepreneurs. Thus, they brought me to visit ***dahu*** that they had heard about through word of mouth. In future research, I will try to assess the scope and significance of unregistered ***dahu*** in Nanshan County as well.

The discussion of rural land transfer and conversion below is organized around five topics. The first topic concerns the ***dahu***—that is the new active participants in the "New Countryside" campaign. Focus then turns to another key group—local government officials—looking at both their views about the rural land transfer project, and the incentives driving them to participate. Next, I examine the relationship between government officials and agribusiness entrepreneurs, before turning to a comparison of "reversible" and "irreversible" models of land transfer and conversion. I then explore the impact of "irreversible" land transfers on a specific community of peasants. Finally, the paper concludes with policy suggestions for alternative paths to rural development.

[16]Heilmann has convincingly argued that local experimentation is a distinct policy instrument that has been used by the Chinese Communist Party as a strategy of adaptive governance since its founding in the 1920s; see Sebastian Heilmann, "From Local Experiments to National Policy: The Origins of China's Distinctive Policy Process," *China Journal* 59 (2008):1-30.
The local officials have nothing to lose. They are unlikely to be penalized if they are criticized in the press, because a certain number of failures are to be expected given the campaign's "experimental" designation. On the other hand, if the local model is to be eventually chosen by central government officials for national implementation—a guaranteed boost to the local officials' careers—the local model needs to be first publicized by researchers and the press in order to gain attention.

3.1 Dahu(大户) (Private Agribusiness Firms)[17]

Given the increasing importance of ***dahu*** in the "New Countryside" campaign, it is worth beginning with them. Literally, ***dahu*** means "large household," referring to a family whose production has far surpassed subsistence levels. In terms of size, a ***dahu*** ranges from a single peasant household to a large agribusiness firm with over one hundred employees. During my fieldwork, I contacted and interviewed owners of six ***dahu*** in Nanshan County, and eight in Beishan County.I observed five types of agribusinesses in these two counties(see table I). The first type is dedicated to the cultivation of cash crops, including the production of hybrid seeds, organic vegetables and fruits, and Chinese herbal medicines. For example, ***dahu***5 is a seed farm, producing hybrid rice, wheat, and clove seeds. It has accumulated over 11,000 ***mu*** of land after two rounds of land transfer in 2011 from two different villages. ***Dahu*** 4, a cooperative, produces watermelons and green vegetables on 200 ***mu*** of land. It was established just this year. So far, organic watermelons and honeydews have been planted on only 10 ***mu***. The ***dahu*** continues to grow rice on the rest of the arable land. However, the head of the cooperative explained that they will cultivate fruit on all of their land next year. According to him, they would go bankrupt soon if they continue to plant low-profit (or no-profit) rice.

The second type of ***dahu*** involves horticultural farms. ***Dahu***3 planted 1,458 ***mu*** of saplings and flowers destined ultimately for urban beautification projects. The company was established in 2003. In 2010, this ***dahu*** rented 1,458 ***mu*** of land from one village. This type of ***dahu*** has a relatively high entry barrier because of the need for large amounts of land to ensure profitability.

The third type consists of animal husbandry farms. ***Dahu*** 1, 7, 8, 9, 10, 11, 12, and 13 all fall into this category. Most pork farms were recently established, around 2009, after a central government call to expand the pork supply following a pork shortage. My fieldwork suggests that poultry and pork farms are not only competitive with low entry barriers, but also profitable with low initial land and capital requirements.

The fourth type consists of specialized agricultural research farms that are both very specialized and require relatively intensive capital investments, given the need for a full set of agricultural machinery. For example, ***dahu***2 cultivates 400 ***mu*** of land to test new hybrid-rice strains developed by a well-known Chinese agrarian scientist. The ***dahu*** assesses optimal conditions for cultivating the new strains, experimenting with different chemical fertilizers, irrigation techniques, and agricultural machinery. Such research farms produce rice for agricultural research, not for human consumption.

The fifth type involves agricultural tourism. For instance, ***dahu*** 6 is an agricultural theme park established by a local real estate company after it acquired 23,900 ***mu*** of land from three administrative villages in 2007. The agricultural theme park is called Golden Lake Rural World. The developers claim to have invested 2 billion RMB (approximately 312 million USD)[18]. The theme park contains rural and agricultural themes, including a modern agricultural technology showroom, a botanical garden with tropical plants and cacti, a laboratory for cultivating orchids, a grape garden, an agricultural natural disaster museum, and two five-star hotels. Curiously, the theme park's star attraction is a "tsunami water dome" (海啸体验馆), where visitors can surf six-meter high artificial waves. Despite its entertainment focus, by claiming to educate people to recognize the impacts of

[17] According to *Xiandaihanyu da cidian*, the word *dahu* has four meanings. First, it can refer to rich households and/or landlords. Second, it can refer to large households in terms of total number of family members. Third, *dahu* can mean a large quantity of land(?). Finally, it can refer to large-scale sellers and/or buyers, for example, large-volume stock traders in the stock market, including both individuals and/or business enterprises. 10 September 2012 <http://art.tze.cn/Refbook>.

[18] As of 2012, 1 USD = 6.38 RMB.

natural disasters on agriculture, the developers can obtain government funds dedicated to agricultural development. The company is very proud of its innovative approach, and has been publicly acclaimed by government officials.

Overall, the first three types of agribusiness firms—*dahu* producing hybrid seeds, fruits, vegetables, horticultural saplings, Chinese herb medicines, poultry, and pork—are common in many parts of rural China. The fifth type, which combines tourism and entertainment with agricultural education, is relatively unusual, though I have been told that there are other similar theme parks elsewhere in China.[19]Notable is the fact that none of the 14 agribusiness firms produce unprofitable grain staples.[20] As such, none actually contribute to preserving China's "national grain security."

3.2 Local Government Officials: Career Advancement and Wealth

Most of the fourteen *dahu* described above have relied to some extent on local government support, either to organize the transfer and consolidation of land, or to obtain central government subsidies. It is, thus, important to understand the mentality of the local government officials, and their motivations for supporting the "New Countryside."

To be sure, local government officials recognize problems with the large-scale rural land transfers. For instance, in Beishan County, I talked with five village officials who all admitted that peasants would not initially agree to large-scale land transfers if given a choice. They reiterated several times the rhetorical question, why would a peasant lease out his/her land when the peasant was perfectly content to farm it alone. In addition, at least one of the Nanshan county officials admitted that destroying "natural villages" (自然村) with over a thousand years of history was not ideal.[21]In another instance, while eating lunch in a private room of a restaurant with a township official and an entrepreneur (*dahu* 5); they too shook their head to show disagreement with the radical practice of dislocating an entire village to "new villages."Officials in both Nanshan and Beishan noted that modern agriculture should not focus only on mechanization and higher productivity, but also on incorporating ideas of protecting nature and ensuring a harmonious relationship between human beings and the natural environment.[22]Finally, the officials I interviewed argued that current grain farming was simply not profitable. Consequently, *dahu* had to cultivate cash crops in order to increase rural household income. With price controls on the key staples, there was little incentive to contribute to "national grain security."

But despite their reservations about the "New Countryside" campaign, local government officials have two key incentives to encourage land transfers: career advancement and economic interests. As Ye's earlier study has shown, career advancement is partly based on surpassing the set quotas built into the cadre's responsibility system.[23]The officials I interviewed indeed showed concern about

[19]As the term "leisure agriculture" (休闲农业) has become very popular in recent years, we might encounter more agricultural theme parks in the future.
[20] Grain staples are subject to government price controls.
[21]In recent years, the term "natural village" is commonly used to refer to the notion that traditional Chinese villages are formed based on biological family descent and/or suitable regions for agricultural practice, in contrast to the term "administrative village" (行政村), which denotes the lowest level of China's bureaucratic hierarchy.
[22] China's current political regime has repeatedly stressed in propaganda campaigns that China has since early times had a cultural propensity for harmonious coexistence with nature (and with neighboring societies). Thus, the officials' comments regarding protecting the environment are not unexpected.
[23]Maria Heimer, "Remaking the Communist Party-State: The Cadre Responsibility System at the Local Level in China," *China: An International Journal* 1:1 (2003):1-15.

the quotas set by "those above" (上面的)—that is, their bureaucratic superiors.[24]For example, when I first arrived in Beishan County and asked about land transfers, the village official Laoma told me that, as far as he knew, there were no cases of land transfers in the township. But he also remarked—with some excitement—that the township meeting on the next day was going to discuss precisely this issue. After the township meeting, he told me that his village had been assigned a quota of 1,000 *mu* by "those above," and an adjacent village had been assigned a quota of 3,000 *mu*. The assigned quota of land was all to be transferred from peasant farmers to *dahu* before the end of 2012.It should be noted that being selected as a "New Countryside experimental site" was considered quite an honor. Local officials at "experimental sites" are often highly acclaimed in local news reports.

But career advancement was less of an incentive for the lowest-level officials. In particular, elected village officials—as opposed to the village Communist party Secretary—are not career bureaucrats and have no opportunities for promotion. As one village official stated to me, he could always quit if there was too much pressure from "those above," since village-level officials would always remain at the bottom of the administrative hierarchy. Not surprisingly, then, direct pecuniary benefits are often the only incentive for village officials to actively support the land transfer campaign. There have been some cases of official corruption and bribery. For instance, in Beishan County, the former party secretary and interim township head of Three River Township initiated a "New Countryside experimental site" called Silver Lake New Village. He was later promoted to a post on the Fuyang city-level agricultural committee. Last year, however, the official was found guilty of receiving125,000 USD in bribes and sentenced to jail for 11 years.[25] However, local newspapers did not reveal when and from whom the official received the bribes, nor did the reports mention any connections to the "New Countryside" project at Three River Township. Thus, the Silver Lake New Village project initiated by the same official with investments of 78 million USD was not affected by the scandal. But regardless of how widespread bribery may be, local officials participating in land transfers have other ways of personally benefiting from the projects without violating any existing laws.

3.3 "Government Officials and Businessmen are One Family"

There is a common saying among peasants in Anhui—"officials and businessmen are one family 官商一家."When villages subcontract collectively-bundled land to a *dahu*, the head of the *dahu* is often well-connected with township agricultural committee officials and/or county officials. During my fieldwork, I encountered four common types of relationships between government officials and private agribusiness entrepreneurs. In the first case—represented by *dahu* 1 and 14—local government officials are themselves owners of an agribusiness. *Dahu* 1 consists of a poultry farm founded by Mr. Li, currently the county agricultural committee member in charge of land and agricultural funds. The farm has been quite successful raising poultry for sale locally in the surrounding hill country. Li is in his 50s and explained to me when I interviewed him in July 2011 that the poultry business was his retirement plan, designed to supplement meager government pensions. When I returned to the county in 2012, Li was not around his office and could not be reached by phone, as he had become entirely preoccupied with his business.

[24] The Chinese government administration is highly hierarchical, with the village level at the bottom and the central government at the top. For village officials, "those above" could mean township officials, county officials, or simply the central government.

[25]"Tanwu you shouhuiYingshangxiannongweiyuanzhurenhuoxin 11 nian ban" (贪污又受贿颍上县农委原主任获刑 11 年半). *Anhui News*22 February 2011 <http://ah.anhuinews.com/system/2011/02/22/003776228.shtml>.

Another common practice is for a government official to become the business partner of a *dahu*. When I initially contacted the township agricultural official, Mr. Gao, by phone to ask about a local *dahu*, he told me he was busy and would call me back, which I took as a polite way to avoid having to deal with a stranger. I was surprised when Mr. Gao called me as promised later that evening, and scheduled a meeting with the owner of a local *dahu*. The next day, a Saturday, Mr. Gao spent his day off accompanying me to visit a hybrid seed farm (*dahu*5). When we arrived at the farm's office building, I was initially surprised that Mr. Gao was greeted by all of the employees. After entering a large air conditioned office space, Mr. Gao settled himself down at one of the desks, putting his briefcase inside one of the drawers. Moreover, the *dahu* owner sat quietly to the side as Gao himself answered my questions regarding the company. After lunch, Gao effectively arranged a visit of the grounds, which included a newly built greenhouse for rice incubation, and a rice transplantation machine from Japan. Gao also revealed to me that the farm boss was a specialist of rice plant diseases. Although he never explicitly admitted to me his role in the agribusiness firm, it was relatively obvious that he was a business partner.

Government officials not directly involved in a *dahu* might "by chance" have good friends and/or relatives at an agribusiness firm. For instance, Mr. Wang, a county official in charge of forestry, had ties to a man who had obtained 1,458 *mu* of land for a horticulture business (*dahu* 3). Mr.Wang evidently knew the *dahu* owner well—he recited to me the man's cell phone number from memory. Moreover, he kindly noted that if the owner refused to speak to me, I should mention Mr. Wang's name since the two were "good friends." It was unclear, however, whether they became friends before or after the entrepreneur closed the 1,458 *mu* land deal. In Beishan County, I also encountered the owner of a new boar farm (*dahu*11),who was the son of the director of the county's Bureau of Animal Husbandry.

Personal ties and connections between government officials and *dahu* developers of the Golden Lake Rural World theme park are more complex. When I interviewed a young assistant to the development company's CEO, he told me his boss had immediately sensed a business opportunity when the "New Countryside" policy was first promulgated by the central government in 2005. The CEO, it turns out, was a provincial representative to the National People's Congress, and so would have been one of the first men in the county to hear about the new campaign. He was also the executive president of a local real estate giant that had been initially founded as a government-owned Township and Village Enterprise (TVE). The CEO had spent two years intensively discussing his plans for a rural theme park with officials at many levels of government. After taking over a local "dragon head"[26] TVE that produced agricultural and food products, he established a new subsidiary in 2007 called New Countryside Conglomerate(新农村集团),which focused exclusively on "New Countryside" development projects.

On the surface, at least, the company was doing very well. During the interview, the young assistant to the CEO sat back in a comfortable leather armchair in a spacious office cooled by the breeze from a central AC vent. He confirmed that most of the investment capital came from the real estate company, though he also readily admitted that government support and coordination were critical. As he put it, there were many instances that "required the government to show its face" (需要政府出面). For example, persuading farmers to adhere to the company's master plan in a timely fashion would have been impossible without the involvement of government officials. He further mentioned that New Countryside Conglomerate included a "Golden Lake Experimental Site Management Committee," all of whose salaried members were simultaneously county government officials. Their

[26] "Dragon head" enterprises refer to relatively large and important local agribusiness firms that play leading roles in boosting the regional economy. More often than not, "dragon head" enterprises are state-owned enterprises and/or TVEs.

task was to make sure the rural theme park project went smoothly, confronting peasants with the "face" of government when necessary.

Of the *dahu* that I visited in Nanshan County, two-thirds (4 out of 6) involved such cases of "government officials and businessmen are one family."By contrast, of the eight *dahu* in Beishan County, only 25% (2 out of 8) fell into this pattern. In both counties, those owners of *dahu* with no personal ties to government officials shared a common spirit of "self reliance" (靠自己). Thet wo outlier cases in Nanshan County constituted good examples. The owner of the agricultural research firm (*dahu*2)is not a local resident, but rather a man from Zhejiang province further south. He repeatedly reminded me that he was an entrepreneur running his own company, not an ordinary peasant, nor someone relying on the government in order to run his business. He was proud to manage his agribusiness firm based on market rules. It was only when he needed to acquire more arable land that he needed to adhere to government procedures rather than market forces. Indeed, he did complain about his current difficulty enlarging his farm due to government regulation. However, it is worth noting that his agribusiness was an exception among the local businesses insofar as his partner is a famous agricultural scientist, known in China as the "father of hybrid rice" (杂交水稻之父). This agribusiness firm in question had been designed to allow the scientist to test new rice strains in an experimental setting.

A second agribusiness without government connections (*dahu*4) involves a local migrant returnee. After working in construction in the Yangzi Delta region and saving up money for several years, he returned home to start a cooperative specializing in melon cultivation. He has had numerous problems with the local government. For example, he has not been able to sell his produce at the township market without renting a permanent vendor booth. Although very frustrated, he insisted that he needed no particular support from the government. He only hoped that township officials would not create additional hurdles to make his life more difficult. At the time of the interview, he did not know that his cooperative qualifies for a government farm subsidy of 80 RMB/*mu*, a subsidy that county officials had previously assured me is available to all large-scale farms (over 100 *mu* in size).[27]In other words, *dahu* without government ties faced clear disadvantages in accessing public funds.

During my visit to the hybrid seed farm, the township agricultural official, Mr. Gao, described in some detail the bureaucratic steps needed to complete a land transfer. A peasant first submits a request to lease his/her land to the village-level administration. Next, the village government leases out bundled village land to a *dahu*, then reports the lease to the township office. Finally, the township's agricultural division evaluates the lease and checks the agribusiness owner's financial credibility and reliability. Gao referred to this last step as involving a "gatekeeper" (把关)—Gao, himself, in the case of the township in question. He emphasized the need to evaluate the financial credibility of all *dahu* owners to ensure they will pay their rents properly and then succeed in their investments. Given the importance of the "gate keeper" in this process, a prospective *dahu* with connections in the township agricultural division would likely have advantages in obtaining land leases.

By contrast, according to my observations during fieldwork, the land transfer process in Beishan County was quite different. Whereas the process in Nanshan County—according to Gao's account—only involved the government after the deal had been agreed upon by both the farmers and the entrepreneurs, the land deals were initiated by "those above" in Beishan. Thus, it was "those above"

[27] The subsidy had two additional requirements besides the 100 *mu* scale. First, the lease had to be for more than 3 years; second, the rent had to be no less than 300 RMB/*mu*. This subsidy is paid by the city- and county-level fiscal bureaus.

who assigned quotas of land to be transferred. Two village officials, from different villages, stated in interviews that they had received phone calls from county agricultural committee officials, who told them of agribusiness projects that needed large amounts of land (i.e. 1,500 *mu*). Village officials would then pass on the messages to local villagers. It is possible that the bureaucratic process used to approve land deals in Nanshan conceals a similar top-down implementation of land transfers. Needless to say, this top-down approach is likely to result ultimately in the concentration of arable land into the hands of only a few *dahu*.

To be sure, such a concentration of land might benefit all parties involved, because government subsidies and bank loans favor large-scale projects, as both the Chinese government and Chinese banks have a tendency to "invest in the big, not in the small"(投大不投小). But both Gao and his business partner admitted that one cannot farm this large amount of land, even with modern agricultural machinery. Instead, they subdivided the 11,000 *mu* of the seed farm into many smaller units of200 *mu* each, which they sub-leased to individual peasant households to farm. According to Gao, 200 *mu* constitutes an ideal and manageable amount of land for a single family, allowing profits of around 9,375 USD per year. Although the seed company subdivided land into smaller units, its owner received government subsidies and bank loans as if farming the full tract of land. By contrast, the pig farmer running *dahu*9 commented to me that, although he was the first large-scale pig farmer in his village, his scale of operation was not sufficient to get government support or bank loans. He pointed out that *dahu*14—a rival pig farm and local "dragon head" enterprise—had benefited from loans and government subsidies of two million RMB from the government.

3.4 Two Models of Land Transfer: Reversible vs. Irreversible

Land transfers can have two very different impacts on peasants' livelihoods and rural society depending on whether the transfer is "reversible" or "irreversible."In what I refer to as "reversible" land transfers, peasants rent out their land directly to the *dahu*. These land deals generally share three features: the land involved is medium in size, the leases are short-term (less than 5 years), and the government plays no role. The greatest advantage of this system is that, with a short-term land lease, peasants have the option to continue farming their family plot after the lease expires. They, thus, retain a safety net to fall back upon if they cannot find employment in the non-agricultural sector. My own fieldwork suggests that these short-term land transfers benefit both the leaser and the *dahu*. Peasants receive higher rents than they would through "irreversible" arrangements. This model of land transfer also generates day jobs for fellow villagers during harvest season. After contracting out their land, the peasants can perform a variety of odd jobs to supplement their income from rent, including picking tea leaves during the two-week tea harvest, working construction sites in the cities for one to two months at a time, doing temporary road repair work on behalf of the local government, or other day jobs. Meanwhile, when in their home villages, the peasants can maintain vegetable plots and raise small animals for the family's own consumption. This model first emerged in the 1990s in rural villages across China, when peasants began to leave their land to find jobs in the cities. My data suggests that many land deals to this day fall into this category.

The alternative to the "reversible" model is the "irreversible" model of land transfer.[28]"Irreversible" land deals generally involve very large agribusinesses that acquire large amounts of land from multiple village jurisdictions. These projects inevitably require government support. The Golden Lake

[28] For an alternative discussion of "irreversible" land transfer, see Xuefeng He, *Tudi de Luoji*: *ZhongguoNongcuntudizhiduxiang he chuqu* (The Logic of Land Rights: Where is China's Rural Land Institution Going) (Beijing: Zhongguozhengfadaxuechubanshe, 2010*)*,178-186; 贺雪峰，地权的逻辑：中国农村土地制度向何处去(北京：中国政法大学出版社, 2010).

Rural World provides a good example of this model. After living in Golden Lake New Village for four days, the 32-year-old head of my host family explained to me in detail how the land transfer process had come about in his village. The transfer involved a two-step process. First, in 2007, New Countryside Conglomerate (*dahu*6) approached villagers with an offer to lease their land for 18 years at 320 RMB/*mu*/year paid as a lump sum of 5,760 RMB/*mu*. Although there were households that did not at first wish to rent out their land, all eventually agreed. The following year, the conglomerate began approaching farmers with an offer of 4,320 RMB/*mu* in additional cash in return for a permanent transfer of the land use rights. By 2009, all the villagers had nullified their earlier leases and resigned new contracts giving up their land in perpetuity. In the end, each peasant household had received a total compensation of 10,080RMB/*mu*. This price was a true steal for New Countryside Conglomerate, given that official land prices in the region are nearly three times greater.[29]

As it turns out, of course, the two-step land transfer process had all been planned out in advance. As one township official remarked, using the word "lease" instead of "purchase" was critical to avoid alarming the peasants. Offering a large lumpsum for the entire 18-year lease was also important for enticing villagers, especially those who had migrated out to the cities and found stable employment away from home, as well as those who were in need of cash for whatever reason. Once two-thirds of peasant households had agreed to lease out their land, a group mentality kicked in. Chinese peasants often feel that one is less likely to face problems if one goes along with the majority; there is protection in numbers. Thus, it was only a matter of time before the remaining 1/3 of the households signed the lease agreement.

The ultimate goal, however, was not simply to lease out the land. As one official put it, "leasing is in fact tantamount to buying, though leasing is cheaper."(租其实就是买，还便宜) After the first stage of the land transfer, the developers began constructing the New Village on some of the land that had been leased out. The first phase of construction involved exclusively single family houses. In order to convince villagers to give up their land in perpetuity, village officials were the first to sign the second contracts. They quickly convinced their relatives to follow suit. The new houses the villagers were to move into were attractive. Moreover, it was easier to convince once earth-bound peasants to move out of their houses after they had been idle with no farm work to do for several months. Soon, the village officials also convinced those who did not like farming, elderly peasants with no children, and those living in particularly shabby houses. Once these villagers signed the new contracts, their old houses were demolished almost immediately. There was no turning back.

But there were additional pressures for peasants to accept the land deal. The 18-year leases had been cleverly conceived to expire in 2025. Peasants have never, technically-speaking, owned their land outright. The first Household Responsibility System (HRS) of 1980 had given farmers 15 years of land use rights. In the second HRS implemented in the mid 1990s, use rights were extended for another thirty years. The second HRS expires precisely in the year 2025. Chinese peasants cannot be certain that their land rights will be extended past that date. As Tang's husband put it, "Saying no would have been a pure waste"(不要白不要). It was better to take the money offered by the developers and give up one's land in perpetuity than to risk losing everything in the end with no compensation.

By the time the second phase of construction began on Golden Lake New Village, "those above" had forbidden the construction of single family houses, as it was deemed that they were a waste of land.

[29]According to "Anhui sheng renminzhengfuguanyugongbuanhui shengzhengdibuchangbiaozhun de tongzhi" (安徽省人民政府关于公布安徽省征地补偿标准的通知), *Land and Resource Department of Hefei* 27 January 2010<http://www.hfgt.gov.cn>, land in Nanshan County—site of Golden Lake Rural World—is valued at 29820 RMB/*mu*.

All peasants who had not jumped on board right away were destined to move into less desirable 6- to 7-floor apartment buildings. At this point, however, it was possible to coerce the remaining farmers to move out of their houses. Electricity and water to the old villages were cut off. It was increasingly the case that the stragglers were living amid the accruing ruins of the demolished houses of those who had already left. Very few refused to leave at this point. Finally, the developers hired gangs of thugs to drag out the last remaining peasants, at which point their houses were immediately torn down.[30]

3.5 Impact on Peasant Lives

Golden Lake Rural World theme park and its adjacent New Village have been visited by numerous high-level government officials, including the Party Sectary and Provincial Governor of Anhui Province, members of the National People's Congress, and even a current member of China's nine-member Politburo Standing Committee, Wu Bangguo. Official appraisals have been ubiquitously positive. Golden Lake has been acclaimed for its achievements in transforming agriculture and rural society. It has been singled out as a potential model for nationwide implementation of the "New Countryside." Inhabitants of Golden Lake New Village, however, have a very different outlook. Older villagers often told me that "their life was no good" (生活的不好) after moving into the New Village. Younger peasants were usually more measured—"Sure things are better, but the pressures are greater"(好是好, 压力很大). They worried especially about job security now that they had no land to fall back on if it ever became necessary.

In order to try to assess the "New Countryside" from the perspective of villagers, I spent four nights in the New Village, interviewing residents during these few days. My host was a 28-year old woman named Tang, who had lived in Nanshan County ever since her marriage in 2004. I had met her in a village *mahjiang* parlor. Below, I evaluate Golden Lake New Village based on the five-point framework used by the Chinese government to evaluate the "New Countryside":"orderliness and cleanliness of villages" (村容整洁), "the civilizing of village morals" (乡风文明), "comfortable livelihood" (生活宽裕), "democratic administration" (管理民主), and "productivity development"(生产发展).

The goal to increase the "orderliness and cleanliness of villages" was perhaps most successful. Tang and her husband—who lived in one of the single family houses built during the first round of development—readily admitted that their quality of life had improved. With a solar-powered water heater on the roof, they could now enjoy hot showers. The fact that the alleys around the houses were paved meant that the village environment remained cleaner and free of mud during the rainy season. Villagers also enjoyed a number of other standard amenities of urban living, including dial-up internet access, cable television, and sit-down toilets. Some might say the village was more attractive as well. Resettlement houses were arranged in a straight line, and were uniformly painted with white walls and blue roofs. Each block of houses was surrounded by green lawns, and the roads were lined with trees.

But appearances can be deceiving. Many residents complained that the quality of the resettlement houses was very poor. Indeed, one village official admitted that the buildings were like "embroidered pillows—nice to look at, but not to use" (绣花枕头,中看不中用). One old lady pointed out that the outer walls of her house were already cracked, as well as those of many of her

[30] Tang's husband gave me a detailed narrative of a particularly brutal incident. One of the last households was that of a doctor who had quite recently built for himself a new two-story house. To prevent the demolition of the house, his elderly father stayed at home 24 hours a day. Yet, one day, a group of thugs from Nanshan city drove up to the village and dragged the old man out. Within minutes, a bulldozer had destroyed the house and everything inside.

neighbors. During my stay in Tang's house, I was told not to use the shower on the second floor. Tang explained to me that water from the shower trickled through the walls onto the lower floor. Peasants also complained of the air quality in the New Village. Their old village had been surrounded by large lakes. Because of the fresh air there, the real estate company planned to use the site for two five-star hotels and an "ecological" sauna resort. The New Village, by contrast, was adjacent to a busy, polluted national road.

To make matters worse, most of the peasants do not seem to have appreciated the beautification efforts. They constantly defied many of the neighborhood rules. They continued to use "illegal" wood-burning stoves; they washed their clothes in the public pool; they raised chickens and rabbits on unoccupied communal spaces; they spread herbicides on parts of the lawns in order to plant soybeans and other vegetables. One old couple, in defiance of warnings from the New Village administrative officials, stored their old agricultural tools and the remains of their old farmhouse (i.e. the wood, bricks, and steel) in their backyard. The first thing Tang's father-in-law did after getting up in the morning—often as early as 4 AM—was to boil water outdoors, in front of the garage. He used plastic bags to light the fire, and burned waste wood gathered from demolished houses and construction sites. Each household did essentially the same thing, not only to save electricity and gas expenses, but also as a way to clean up nearby waste.

Whereas the goal of enhancing the "orderliness and cleanliness of villages" was partly achieved, the "New Countryside" plan to "civilize village morals" was less obviously successful. Villagers lived in closed proximity to each other. Residents of three different villages had been relocated to Golden Lake New Village. Moreover, because the resettlement houses were assigned to individual households at random, most residents did not know their neighbors. As a result, neighbors frequently quarreled. I once witnessed Tang arguing with a neighbor in front of her house.

Partly to establish new social ties and partly to stave off the boredom of life without farm work, *mahjiang* parlors became the social centers of the New Village. Whereas the game had once been an occasional activity played informally on a neighbor's dining room table, it had now become a daily pastime. Men, women carrying their babies, the old, and the young all gathered at the parlors to gamble at the tables. According to Tang, every afternoon, after making breakfast and lunch and completing a few household chores, she itched to leave the house even if just to go for a walk. She usually ended up at a *mahjiang* house, where there were always people waiting to form a full table of four players. I accompanied her there on three occasions. Most of the players at the parlor that Tang frequented were women, often with their toddlers in tow. It was normal to play for four hours straight, without getting up even to drink water or go to the bathroom. On one afternoon, I watched Tang lose 162 RMB. When she finally got up to leave, the other players tried to coax her into staying longer. During the game, perhaps because of the large sums of money involved, there was little conversation between the players. In the New Village, social relations seem to have broken down, even as gambling replaced agricultural work as the primary pastime.

A third goal of the "New Countryside" is to increase peasant household income. Here, too, the results are ambiguous. Peasants all received a lump sum of money when they "sold" their land. Tang's household received about 50,000 RMB. The farmers were also permitted to sell their old farmhouses to the conglomerate for 100 RMB/ square meter. Most households obtained between 10,000 and 20,000 RMB this way. Although they were required then to purchase their homes in the New Village (from the same conglomerate) at a much higher price—500 RMB/ square meter—the farmers by and large all could afford this price. The houses they purchased, however, were empty shells initially. Most peasants had to spend at least another 20,000 to 40,000 RMB for basic interior furnishings, including doors, windows, and floors. Most families could afford this with their household savings. The peasants I spoke to also had a few other meager sources of stable income.

Although now landless, they were still officially registered with an agricultural *hukou*. Thus, each household continued to receive a few hundred RMB per year in agricultural subsidies from the central government, depending on the size of the land they had once farmed.[31] In addition, Anhui Province has a special fund for "peasants who have lost their land" (失地农民). Any woman of such a status who is at least 55 years old and any man at least 60 years old can obtain a minimum of 220 RMB/month. Finally, it was possible to purchase a social security plan at a cost of 29,900 RMB, which the real estate company had agreed to partially subsidize. Nevertheless, nobody I spoke to agreed to pay this fee.

The primary source of anxiety for everybody I spoke to concerned daily expenses, especially given that most households had exhausted their savings purchasing and furnishing their resettlement houses. "Everything costs money," grunted the 60-year old host of the *mahjiang* parlor. She then listed the monthly costs in her own household. The electricity bill typically ran 100RMB/month. The water and garbage removal fee was about 10 RMB/month. Internet access and telephone service cost a fixed 169 RMB/month. In addition, there was a gas fee, since peasants were not in fact allowed to burn wood for fuel. Finally, and most significantly, peasants now had to pay for their daily food, since there was insufficient space to plant the vegetables, and raise the chickens, ducks, and pigs that needed to feed an entire household.

The ultimate goal of the "New Countryside," of course, is to expand a labor market subject to market forces. By far the greatest income opportunities required relocating to coastal urban centers. Tang's husband left for two months at a time to work on construction sites on the East Coast. By working long days without any days off, he could earn up to 20,000 RMB on a two-month job. But there was no job security; he did not know what he would do if construction jobs dried up.

For adults without the possibility of finding urban employment, there are fewer job opportunities. New Countryside Conglomerate had promised to provide many jobs. In reality, however, fewer than 100 peasants have been hired to do agricultural work, and 300 more have been hired on a temporary basis. According to my informant, a full day's work might last from 6 AM to 7 PM, and would pay only 20 to 30 RMB/day (with two meals included). Such jobs included planting vegetables, weeding, and tending saplings. Tang's father-in-law worked in the grape garden of the Golden Lake Rural World. In 2011, the theme park's inaugural year, he worked as a full time employee, earning 1000 RMB/month without benefits. This year, however, he was hired as a day laborer instead. There are a total of 12 workers in the grape garden, each earning 40 RMB/day in the case of men, and 30 RMB/day in the case of women. Another option was to open up one's own business, though there was little profit to be made. The owner of the *mahjiang* parlor had four automated *mahjiang* tables in lieu of furnishings in her house. Her household could earn 80 RMB/day if the tables were occupied to capacity.

A fourth goal of the "New Countryside" movement is to enhance "democratic administration." As Ye's study has shown, more than half of peasants have little idea what democracy means.[32] Generally, in China, the term is roughly understood to include village elections, financial transparency, and the absence of corruption among officials. When I asked villagers what made them most unhappy about their new situation, "corruption" was the most common response. They had only received a third of the fair market value for their land. They had had to pay five times more per square meter for their new houses after being forced to sell the old ones. Several residents told me that a full half of the villagers had not agreed to leave their homes at all until they had been

[31] At the beginning of 2006, the Chinese central government not only eliminated agricultural taxes nationwide, but also started directly subsidizing peasant household with about 100 RMB/*mu*/year, subsidies known as "direct subsidies for agriculture" (农业综合直补).

[32] Jingzhong Ye, 9.

either "tricked" or "coerced." All villagers believed corruption had run rampant during the land transfer.[33]Both the local government and the real estate conglomerate were blamed. One of my informants asserted that a chain of corruption ran from the village-level to the provincial-level governments, with officials at each level of government sharing a piece of the pie from the Golden Lake land deals. Another informant, a woman in her 60s, was very angry and resentful; believing that boss Mao of Golden Lake Rural World had hired only his own relatives for the important and well-paid jobs. It is important to note that villagers generally did not blame the central government. President Hu Jintao and Prime Minister Wen Jiabo ("Uncle Wen") had designed policies that would benefit peasants.[34]However, these policies had been perverted by corrupt figures in the local administration.

From the perspective of the now landless peasants, the fifth goal of the "New Countryside"—that of "productivity development"—is not necessarily of immediate significance. Needless to say, Golden Lake Rural World theme park in no way contributes to enhancing agricultural productivity. Much of the land obtained by New Countryside Conglomerate has not yet been developed, and so currently lies fallow. This has struck a nerve with many peasants. One evening at dusk, I encountered a 70-year old resident of Golden Lake New Village walking slowly from his house to his small plot of young soybean plants. His pale skin revealed that he had not farmed for a couple of years now. The six *mu* of fertile land that he had once farmed now lay abandoned, overrun with waist-high grass. He resented this. Those in change of the land transfer, in his view, had no respect for the fertility of the soil. The New Village, itself, had been built atop some of the richest land in the region. The narrow decorative pool separating the housing block from the national road was also dug out of very good land. The only use for the soil now was when peasants illegally planted soybeans or other vegetables on the landscaping or marginal land around the houses. There had also been cases of peasants trying to farm the real estate conglomerate's fallow land, but they were forced to stop. The 70-year old man drew an unusual comparison, to Mao's Great Leap Forward in the late 1950s. That was the last time he had witnessed such craziness with regard to food production. "It's all fake and a show," he asserted regarding the theme park.

4 Conclusion

The establishment of Golden Lake New Village has had an important impact on the lives of large numbers of individuals. Three administrative villages in Nanshan County have been affected, including a total of 42 "natural villages" (自然村). According to Nanshan County statistics, Golden Lake Rural World experimental site displaced 12,000 people from a total of 3,430 households. This New Village, of course, is by no means exceptional in China. New villages of different sizes have been constructed in every province. In Anhui Province, alone, "100 townships and 1,000 administrative villages" have been selected as experimental sites for the "New Countryside," a campaign sometimes referred to in Anhui as the "thousand villages and hundred towns" (千村百镇) project.[35]

[33] Indeed one might note that it was technically illegal to buy and sell property at Golden Lake New Village, as the housing units were built on collectively owned land instead of on state-owned property.

[34]Ironically, as reported recentlyin the*New York Times*, Primer Minister Wen Jiaobaofamily has accumulated $2.7 billion over the past decade, a fortune that might call into question the Chinese top leaders' image of integrityand probity.See "Family of Wen Jiabao Holds a Hidden fortune in China,"*New York Times* Oct. 25 2012 <http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html?pagewanted=all>.

[35]"Woshengxinnongcunjianshe 'qiancunbaizhenshifangongcheng' shifancunzhenmingdan" (我省新农村建设"千村百镇示范工程"示范村镇名单), *Anhui News* 21 April 2008 <http://ah.anhuinews.com/system/2008/04/21/001996618.shtml>.

Based on my fieldwork, it is true that the "New Countryside" has led to certain fundamental improvements. Peasants now enjoy a higher quality of life in new houses situated in villages that are well-ordered and clean. They now have the opportunity to participate in an unrestricted labor market, albeit precarious wage labor, giving them the possibility in the future of benefiting more directly from China's "economic miracle." But there are also many problems, including forced dispossession of land, government corruption, and the consolidation of large agribusiness monopolies. Perhaps of greater significance on the macro level, "New Countryside" agribusiness firms lack the financial incentive to produce grain. Fortunately for China's population, the Chinese government has ample cash to purchase grain on the global market in case of grain shortages, though such a move would raise food prices in the Global South and elsewhere.

China's recent history has taught us that large-scale agriculture is not always the most efficient. The most obvious example is the collectivization of agriculture in the 1960s and 1970s. As this study has shown, large-scale farming has resulted in high entry barriers, thus privileging those with power and/or capital. There are many unintended consequences of the particular model of development that the Chinese government has recently chosen to promote. It might be appropriate here to invert the words of the Chinese economist Mao Yushi—"Working for rich people, while speaking on behalf of poor people" (为富人做事，替穷人说话). Though the "New Countryside" was created largely to improve the lives of poor peasants, government intervention in the market has promoted unfair competition among capitalists. Notably, both Chinese banks and the central government have poured capital and granted privileges to large-scale, well-connected "dragon-head" enterprises, helping them to become more competitive and eventually to monopolize rural markets. Through its intervention in land transfers, the government has hurt grass roots *dahu* by producing unfair market competition. Rather than helping to correct "market failures," the government has merely exacerbated underlying structural problems. It should be noted that the absence of most young and educated peasants from rural villages, due to widespread rural-to-urban migration, has probably reduced the potential for significant protest and resistance during the process of rural land expropriation. In other words, rural-to-urban migration partially explains the pervasiveness of the land grabbing in rural regions of China.

Another major conclusion of this study involves the effects of top-down rule in China. One would imagine that convincing the residents of an entire village—let alone those of several adjoining villages—to transfer their land use rights permanently in order to move into resettlement houses would be close to impossible. However, the truth is that the "irreversible" model has been rampaging through many parts of rural China. Inevitably, very large numbers of individual peasants have been forced from their homes to make way for development. By contrast, direct "reversible" land deals between peasants and private entrepreneurs—usually fellow peasants from a nearby village—are more transparent and bear significantly lower transaction costs, since they largely avoid the problem of corruption. More importantly, farmers do not lose complete possession of their land, nor are they evicted from their homes. As Zhang and Donaldson have previously argued, such grassroots land consolidation has the potential to spur agrarian capitalism and economic growth in China.[36]

The fact that a typical peasant household has less than 10*mu* of land, and that the land is sometimes scattered into discontiguous plots, has become a standard reason to promote large-scale land transfers when trying to improve efficiency in agricultural production. The familiar linear narrative of modern agriculture tends solely to emphasize economies of scale. But the issue of scale and the

[36]They argue that the collective rural land ownership and individual household using right is a positive rural institution that is flexible to form various agribusiness and scale-up agrarian capitalism; see QianForrest Zhang and John A. Donaldson, "The Rise of Agrarian Capitalism with Chinese Characteristics: Agricultural modernization, agribusiness and collective land rights," *China Journal* 60 (2008):25-47.

problem of farming discontiguous land should not be conflated. The problem of scale can be resolved through *ad hoc* "reversible" land deals that do not require active government involvement. Where the government may play a more useful role is in adjusting the allocation of land to diminish fragmentation. Peasants have been complaining for years about this problem, and expressing the desire to have contiguous allocations of land.

Although the fragmentation of land is now problematic, it had once made perfect sense. When collectivized agriculture was replaced by the Household Responsibility System in the early 1980s, planners took into account variations in land fecundity, convenience of water access, and distances between peasant households and farm land. The goal was the fair allocation of land to each rural household. Everybody got some good fertile land and some less fertile land, some land close to water and some not so close, and some land near their homes and some further away. One residual problem with this system is that one *mu* of less-fecund land was sometimes counted as 0.8 *mu* or less, which has caused some confusion among central planners involved in land transfers today. But the more significant problem has been the fragmentation of household land allocations.

But issues of equality in land distribution are not what they once were. A 75-year old informant, who has held the position of "group head" for more than 30 years in a village in Beishan county, pointed out that extensive use of chemical fertilizers and of new agricultural machinery has diminished the link between land quality and grain output. Furthermore, over the past decade, a system of paved roads has been established across rural China, and farmers increasingly own motorized vehicles or electric bicycles. Thus, the distance between one's home and one's field is no longer as important an issue as it used to be. It would be possible for villages to organize land swaps so that individual households can farm contiguous land.

Although the Chinese state has tended to believe that farmers are incapable of increasing output without large-scale government involvement, the peasants I have encountered have shown a great capacity to experiment with new approaches, new crops, and new technologies. Peasants have taken advantage of the great affordability and availability of agricultural machinery and herbicides. I have often observed small-scale landholders renting agricultural machinery to plough, harvest, and transport produce. Household farmers have also adopted new agricultural practices, including "broadcast sowing" (撒播), dramatically reducing labor requirements. And, finally, peasants have arranged "reversible" land deals on their own, improving efficiency without extensive government involvement.

Table I. Nanshan and Beishan County Agribusiness Firms (*Dahu)* Described in the Study

Region	*dahu#*	agribusiness type	total land (*mu)*	worker wages (RMB/day)	rent paid (RMB/year)	ownership	year establ.	lease length (years)	relationship withgov. officials	owner is local resident?	owner background	Communist Party member?
	1	poultry	/	/	/	private co.	2008	/	county official	yes	county official	yes
	2	hybrid-rice strain research	400	70	500	private co.	2007	5	no relation	no	engineer	no
Nanshan	3	horticulture	1,458	70	700	private co.	2010	15	good friends of	yes	TVE	yes
County	4	fruits& vegetables	200	70	700	cooperative	2012	10	no relation	yes	migrant returnee	no
	5	hybrid seed farm	11,000	70	480	private co.	2007	3, 5, 14	in partnership with	yes	Township agricult. specialist	yes
	6	Rural World theme park	23,900	40	360	private co.	2007	18	multiple relationships	yes	TVE	yes
	7	pig farm	5	40	0(family land)	household	2007	N/A	no relation	yes	grassroots veterinarian	no
	8	pig farm	10	40	1000*	household	2007	10	no relation	yes	grassroots veterinarian	no
Beishan	9	Chinese herbal medicines	96	40	900	household	2009	3	no relation	yes	peasant	no
County		pig farm	2	40	0 (family land)	household	1996	N/A	no relation	yes	peasant	no
	10	pig farm	2	40	0 (family land)	household	2007	N/A	no relation	yes	peasant	no
	11	boar farm	33	40	1000	private co.	2012	5	relative of	yes	/	/
	12	free-range chicken farm	15	40	700	household	2011	3	no relation	yes	peasant	no
	13	chicken egg farm	26.6	40	900*	private co.	2007	13	no relation	yes	migrant returnee	no
	14	Flour factory/cows/ pigs/grapes	230	40	650	private co.	2000	/	state grain distrib. staff member	yes	military veteran	yes

Notes **Township and Village Enterprise

* Rent is based on 2012 contract.

/ No data.

LDPI Working Paper Series

A convergence of factors has been driving a revaluation of land by powerful economic and political actors. This is occurring across the world, but especially in the global South. As a result, we see unfolding worldwide a dramatic rise in the extent of cross-border, transnational corporation-driven and, in some cases, foreign government-driven, large-scale land deals. The phrase 'global land grab' has become a catch-all phrase to describe this explosion of (trans)national commercial land transactions revolving around the production and sale of food and biofuels, conservation and mining activities.

The Land Deal Politics Initiative launched in 2010 as an 'engaged research' initiative, taking the side of the rural poor, but based on solid evidence and detailed, field-based research. The LDPI promotes in-depth and systematic enquiry to inform deeper, meaningful and productive debates about the global trends and local manifestations. The LDPI aims for a broad framework encompassing the political economy, political ecology and political sociology of land deals centred on food, biofuels, minerals and conservation. Working within the broad analytical lenses of these three fields, the LDPI uses as a general framework the four key questions in agrarian political economy: (i) who owns what? (ii) who does what? (iii) who gets what? and (iv) what do they do with the surplus wealth created? Two additional key questions highlight political dynamics between groups and social classes: 'what do they do to each other?', and 'how do changes in politics get shaped by dynamic ecologies, and vice versa?' The LDPI network explores a range of big picture questions through detailed in-depth case studies in several sites globally, focusing on the politics of land deals.

Upheaval in Chinese Villages: A Case Study of Rural Land Expropriation for "Large-Scale" Commercial Farming in Rural China

Tens of millions of Chinese peasants are in the process of being uprooted from their agricultural land and farmhouses, leaving them in the short run with few means to sustain their families. This study examines a very recent campaign in China to consolidate land for large-scale commercial farming, analyzing three major actors, namely agribusiness entrepreneurs, local government officials, and peasants. This example of very large-scale rural land grabbing is tightly connected to the new state-led campaign of "Constructing a Socialist New Countryside." By comparing two models of land consolidation, defined by the author as "reversible" and "irreversible," she argues that the top-down implementation of the campaign favors the "irreversible" model, thus causing many unintended consequences, including forced land dispossession, a rise in agrarian capitalist land accumulation, and increased hardships on vast numbers of peasants who have now lost much of their autonomy, while becoming precarious wage laborers.

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