

# Land Expropriation and Rural Conflicts in China\*

Xiaolin Guo

In the early spring of 1999, I was conducting fieldwork on agricultural development in a township in northeast Yunnan.<sup>1</sup> The township, which I call Banyan, is under the jurisdiction of a county-city (*xianji shi*) that acquired its urban status in 1994. One afternoon, as I was sitting by a kitchen fire interviewing a housewife in a village two kilometres from the township seat, some people from the neighbourhood walked in, and it did not take long before a crowd gathered in the room. No sooner had I concluded my interview when voices roared from the audience. Taken by the villagers for a reporter, I was bombarded with bitter accounts of the ongoing land expropriation in their community.

What had happened was that two or three months earlier, the villagers had been notified that 850 *mu* of land would be expropriated to establish a so-called “development zone” (*kaifa qu*). My household surveys in this village revealed that 22 out of 30 households had lost from 20 to 100 per cent of the land area first contracted to them in 1982, and in the south-eastern part of the village, closest to the township seat, almost every household interviewed had been affected by land expropriations in the past few years since the county embarked upon urbanization.<sup>2</sup> The ongoing land expropriation had long postponed the renewal of land contracts throughout the county.

At the time of my interviews in the village, the land designated for the “development zone” had not yet been cleared and the winter crops were still growing in the fields. One day in mid-March, a rumour spread in the village that the township government was about to send in bulldozers to level the ground. It was demanded that the fields be cleared and vacated by a given date, and that whoever defied the order would have personally to take the consequences.<sup>3</sup> Faced with what the villagers called “government coercive land expropriation” (*zhengfu qiangxing zhengdi*), those whose land had been earmarked for expropriation became desperate, and activists in the village who were strongly against it began rallying for protests. In a desperate attempt to hamper the township

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1. This study is a result of my fieldwork carried out in February–March 1999 and again in December 1999 in the township where I conducted household surveys in three villages (20–30 households in each, depending on the size of village, by random sampling) and interviews with village leaders and officials at township and county levels.

2. Up to 1998, land had been expropriated from the village for building township schools and village administration offices, in addition to private business premises.

3. According to the villagers, the ultimatum was broadcast on the local television news.

government's action, some activists warned that they were prepared to "create a couple of casualties" (*si yi liang ge ren*).<sup>4</sup> The atmosphere in the village was notably tense.

Land expropriation has been one of the "externalities of development" primarily responsible for the proliferation of rural conflicts in China in the past decade.<sup>5</sup> What happened in Banyan township is a case in point. This study examines how land expropriation contributed to the conflicts between the villagers and local officials, and also explores the social and political implications of the villagers' action against the government. It begins with the institutional structures that enabled the township government to enforce land expropriation. This particular issue involves land ownership and the local practice of property rights. The study indicates that the assignment of property rights by law and the institutional relations between local governments (county and township) and village collective jointly facilitated the land expropriation.

As widely observed in China, peasant protests have been largely triggered by excessive burdens of taxes and fees.<sup>6</sup> In Banyan, charges for education (tuition and education surcharge combined) constituted an enormous burden to the ordinary households in the villages, but land expropriation nevertheless appeared paramount in the villagers' protests. Why? The question specially concerns the right to subsistence and the controversial distribution of income from land sales. A comparison of government spending in different categories and a picture of village life will highlight who have been the main beneficiaries of land development.

The villagers' protests in Banyan appeared to be small in scale and unremarkable, compared to what has happened in other parts of China. In view of the numerous accounts of rural unrest reported elsewhere that conveyed mixed messages,<sup>7</sup> this study attempts to establish to what degree the participation of local residents in acts of resistance was concerted, and what social and economic determinants were essential to the choices taken by the villagers. The organization of the villagers'

4. Unless otherwise noted in the article, all expressions and comments appearing in direct quotes are the closest possible translations of the original words of the villagers and local cadres whom I interviewed.

5. David Zweig, "The 'externalities of development': can new political institutions manage rural conflict?" in Elizabeth J. Perry and Mark Selden (eds.), *Chinese Society: Change, Conflict and Resistance* (London: Routledge, 2000), pp. 120–142.

6. See Xiaobo Lu, "The politics of peasant burden in reform China," *The Journal of Peasant Studies*, Vol. 25, No. 1 (October 1997), pp. 113–138; Andrew Wedeman, "Stealing from the farmers: institutional corruption and the 1992 IOU crisis," *The China Quarterly*, No. 152 (December 1997), pp. 805–831; Thomas P. Bernstein, "Instability in rural China," in David Shambaugh (ed.), *Is China Unstable? Assessing the Factors* (Washington, DC: Sigur Center for Asian Studies, 1998), pp. 93–110.

7. See Lianjiang Li and Kevin J. O'Brien, "Village and popular resistance in contemporary China," *Modern China*, Vol. 22, No. 1 (January 1996), pp. 28–61; Elizabeth J. Perry, "Crime, corruption and contention," in Merle Goldman and Roderick MacFarquhar (eds.), *The Paradox of China's Post-Mao Reforms* (Cambridge, MA: Harvard University Press, 1999), pp. 308–329.

action and their tactics in selecting targets and seeking allies add an intriguing perspective on rural conflicts in China today.

*Land Expropriation and “Government Behaviour”*

Land development in China has proceeded at a phenomenal pace since the late 1980s, and this has been reflected in a continuing loss of farmland amounting to millions of *mu* each year.<sup>8</sup> The recession in rural industry and financial pressure on government administration at local levels have, as suggested, prompted a fervent growth of “development zones.”<sup>9</sup> In Banyan, the onset of land development was marked by the county’s urbanization that took off in the early 1990s.<sup>10</sup> The initial plan for land development was drawn up in 1993 (when the county government applied for urban status), and the first development zone was established in 1995 (one year after the county became a city). By the end of 1998, three development zones had been established, for which the total area of land expropriated approached 2,000 *mu*.<sup>11</sup> The 850 *mu* of land expropriated from the village under study was part of the county-city’s third development zone.

Land expropriation in China is known as a form of “government behaviour” (*zhengfu xingwei*) which is described as “using coercive measures to acquire private land under compensatory arrangement by the government in the public interest.”<sup>12</sup> The “government behaviour” in land development prevails as a result of the current assignment of property rights. By law, the village collective has the right to use (*jingying*) and supervise (*guanli*) the use of land, but it has no right to transfer land for compensatory use. The state, on the other hand, “may, in accordance with the law, expropriate land which is under collective ownership, if it is in the public interest.”<sup>13</sup> In this assignment of property rights, land development proceeds in two steps: land expropriation (*tudi zhengyong*) by the government from villages, and land transaction (*tudi churang*) between the government and potential land users. The latter procedure only involves a transfer of the user’s right priced according to the market value. Land expropriation is, in a sense, a procedure by which all rights

8. See Yang Congguang and Wu Cifang, *Zhongguo tudi shiyong zhidu gaige shinian* (*Ten-Year Reform of Land Use System in China*) (Beijing: Dadi chubanshe, 1996).

9. Wen Tiejun and Zhu Shouyin, “Xian yixia difang zhengfu ziben yuanshi jilei yu nongcun xiaochengzhen jianshe zhong de tudi wenti” (“Primitive capital accumulation of the sub-county governments and land issues under rural urbanization”), *Jingji yanjiu ziliao* (*Economic Research Materials*), No. 1 (1996), pp. 20–25.

10. This, however, is not meant to suggest that land expropriation under the reform period is unprecedented. See David Zweig, “Struggling over land in China: peasant resistance after collectivization, 1966–1986,” in Forrest D. Colburn (ed.), *Everyday Forms of Peasant Resistance* (Armonk, NY: M. E. Sharpe, 1989), pp. 151–174.

11. The figure here does not include land area expropriated for other uses.

12. Shang Chunrong, “Tudi zhengyong zhidu de guoji bijiao yu woguo tudi ziyuan de baohu” (“Comparison of international practices of land expropriation and protection of land resources in China”), *Nongye jingji wenti* (*Problems in Rural Economy*), No. 5 (1998), p. 25.

13. The PRC Land Administration Law (1988), Article 2; The PRC Land Administration Law (1999), Article 2.

formerly held by the village collective are relinquished to the local government.

The “government behaviour” in land development is facilitated by joint forces in the county and sub-county administrations. In land development, the county-level government is empowered to carry out “unified planning, unified expropriation, unified development, unified supervision and unified transfer.”<sup>14</sup> With this assignment, the county government reviews and approves applications for land expropriation, and carries them out. The technical procedure of land transaction is managed by a special agency called the “Economy Technology Development Zone Commission” (ETDZC) which operates at both county and township levels.<sup>15</sup> In the county-city under which Banyan township is administered, the position of the ETDZC director is concurrently held by the county-city mayor. This arrangement gives some indication of the special institutional relationship between the county-city government and the ETDZC, and the role of county government in land development.

However, as land is under collective ownership in the village, it is not directly accessible to the county government. Therefore, the enforcement of land expropriation relies on the co-operation of the subordinate township government which has direct jurisdiction over village administrations (*xingzheng cun*). The government seat of Banyan township is located at the centre of the county-city. Its location underscores the importance of land development in the course of urbanization. The location also determines the cosy relation between the county-city and township governments that share a common interest in land development. According to the head of the county Land Administration Bureau, in land expropriation, applications were normally initiated by the township government, whereupon the county-city ETDZC supervised and facilitated all procedures.

The role of the village administration is particularly important in land expropriation. The implementation of the household responsibility system in the early reform period resulted in allocating greater economic power to the village-level administration. Following the dissolution of the basic accounting unit known as the production team, the village administration became the sole representative of collective ownership. This role was further strengthened by its institutional relationship with the township government. The relationship is anchored in a bureaucratic arrangement whereby the village leadership is appointed by the township government, a system widely practised in Yunnan province when village elections have long since become common in other parts of China.

In Banyan, the village leadership appointment system was first implemented in 1993. The village leadership usually consisted of a Party secretary, a village director and a book-keeper. In villages where admin-

14. Wen and Zhu, “Primitive capital accumulation,” p. 20.

15. The county-city ETDZC has authorities to approve land expropriation under 500 *mu*. For land expropriation over 500 *mu*, applications must be approved by the provincial government.

istrative tasks were expected to be especially arduous, deputy directors were also appointed. The “law of avoidance” generally applied in that the Party secretary and the village director were preferably non-natives, but it was not without exceptions. The duration of each appointment term was three years, during which the village leaders were on the township government payroll. The appointment was renewable, depending on the performance of the village leaders and the requirements of the township government. In this system, there was mutual dependence between the township government and village leaders, the former on the latter for policy implementation and the latter on the former for official appointments (with perks attached).

In this appointment practice, the relationship between village administration and township government appeared to be symbiotic. However, the symbiotic relation was not quite the same as that observed in business operations where networks formed as result of “rational responses” to the “institutions of an emerging market economy.”<sup>16</sup> The participation of the village administration in this particular partnership was not necessarily voluntary. In other words, the formation of the partnership was not based on a (rational) choice by the village administration, rather it was imposed by the particular institutional arrangement in which the village administration is subordinate to the township government. Nevertheless, the partnership can be quite rewarding for the village administration in gaining economic and political advantages by eliciting support from the township government. Therefore, even though it may not have been voluntary in the first place, the institutional relationship between village administration and township government often grew into a bond based on vested interests. This had direct bearing on land expropriation in Banyan.

In the villages where land was expropriated,<sup>17</sup> the villagers were not consulted and deals were sealed between the township government and village leaders. The full co-operation of the village administration illustrated a controversial aspect of collective ownership wherein, to the villagers, the village collective held the power, but to the local state, it did not.<sup>18</sup> While institutional vulnerability subjected the village administration to the power of the township government, the economic interests (distribution of income from land sales in addition to regular financial subsidies to the village administration from the township government) provided sufficient incentives for the village leaders to comply with the township government. This co-operation enabled the township government to exercise real control over the management of collective property, and resulted in a situation, as highlighted by one village leader: “Wherever

16. David L. Wank, “Producing property rights: strategies, networks, and efficiency in urban China’s nonstate firms,” in Jean Oi and Andrew Walder (eds.), *Property Rights and Economic Reform in China* (Stanford: Stanford University Press 1999), pp. 248–272.

17. In the other two villages visited, land was expropriated for road construction and for the county-city sanitation and industrial projects.

18. Therefore, collective ownership has been viewed as “a tricky category.” See Louis Putterman, “The role of ownership and property rights in China’s economic transition,” *The China Quarterly*, No. 144 (December 1995), p. 1052.

the [township] government (*zhengfu*) extends its yardstick, the land is expropriated; should the peasants complain, they would be simply told: 'It is the government's business; peasants are in no position to interfere' (*zhengfu de shi, nongmin guanbuzhao*)."

### *Land Sale and Income Distribution*

Land expropriated is compensated for, not by the government, but by the potential user who eventually purchases the "land user right" from the ETDZC. As stipulated by law, compensation fees are paid to make up for the loss of crops on the ground, and to assist the village collective in relocating the agricultural population affected by land expropriation. Prior to January 1999, compensation fees for loss of crops amounted to between three and six times the value of the average annual output of the land calculated over the three years prior to expropriation. The latest amendment of the Land Administration Law (effective from 1 January 1999) raised the amount to six to ten times the value. The land expropriation in Banyan rushed through at the end of 1998 was obviously an attempt by the ETDZC to avoid paying higher compensation fees. Here, the compensation to the villagers for the loss of crops amounted to 9,000–9,500 *yuan per mu* for dry land and 10,000–10,500 *yuan per mu* for paddy.

The compensation to the village collective was based on the size of the agricultural population affected by the land expropriation. The total amount was shared by the village administration and the sub-village units, locally still called co-ops (*hezuo she*), where the affected households resided.<sup>19</sup> The village leaders under whose jurisdiction 850 *mu* of land was expropriated were reluctant to reveal the exact amount of compensation they had acquired. But according to the villagers, it was similar in size to what they themselves had received, that is, approximately 9–10 thousand *yuan per mu*. In the latest land expropriation the total compensation fees amounted to 28,000 *yuan per mu*, a figure quoted by the head of the county Land Administration Bureau. This is to say, two-thirds of the total amount was allocated to the households and the village collective. So, where did the rest of the compensation go? The villagers alleged that the township government took it, but the township officials insisted that the amount they were entitled to was no more than 3,000 *yuan per mu*.<sup>20</sup>

Despite the ambiguity, what is known is that land expropriated in Banyan in 1995 was sold for up to 150,000 *yuan per mu*; and the price

19. The co-ops were established after land reform and generally organized on the basis of the original hamlets (*ziran cun*). Under the collective system, each co-op was divided into two to four production teams. After the production teams were dissolved, the co-op organization was reinstated. Now in cases of large hamlets (as a consequence of population growth), each may be divided into two to three co-ops.

20. Both the township finance office and the county-city finance bureau claimed to have no knowledge of the specific financial arrangement in land expropriation since it was exclusively handled by the ETDZC. In any case, the township finance bureau claimed not to have received the 3,000 *yuan per mu* payment at the time of my interview.

paid for the land earmarked for the latest development zone was said to have exceeded 200,000 *yuan* per *mu*. These figures, quoted by township government employees as well as village cadres, roughly agrees with the cases in a study carried out in other Chinese provinces. Although there was no independently verifiable information on the exact amount of revenue generated by the township government from land expropriation in Banyan, it should not differ much from what has been practised elsewhere. As estimated, the share of income from land sales taken by the county-township governments amounts to 60–70 per cent of the total, the amount allocated to the village collective was 25–30 per cent, and the amount to farmers was between 5 and 10 per cent (which conforms to the compensation in Banyan). Between the county and township governments, the revenue sharing is often in favour of the latter because land expropriated is immediately under its jurisdiction, and a large share of profits understandably provides the necessary incentives for township governments in enforcing land expropriation. As estimated, some 40–60 per cent of the income from land sales is allocated from the county-level government to the township-level government.<sup>21</sup>

Apart from land sales, a monopoly of taxation and extraction of fees provide additional revenue sources. In the development zones, all taxes, both central and local, were collected by the ETDZC from all industrial and commercial establishments, which generated a considerable amount of revenue.<sup>22</sup> It has been estimated that income from land sales constitutes about 20–30 per cent of the average county-level government revenue, and some 80 per cent of a township-level government's extra-budgetary funds.<sup>23</sup> It is hard to estimate the revenue percentage of the Banyan township government budget because of complicated operating procedures. But the behaviour of the township officials there indubitably demonstrated a presence of tremendous economic incentives.

In my study, both the county and township governments claimed that land development was to benefit the rural area and ultimately to achieve modernization, because the establishment of development zones would help develop tertiary industry and provide business opportunities for the rural population. However, neither the government statistics nor my own observations in the villages suggest that the rural population have been the main beneficiaries of land development.<sup>24</sup>

The statistics published by the county government under which Banyan township is administered indicate that the substantial increase in government revenue since the beginning of urbanization has been spent largely on administrative and institutional maintenance and expansion. A rapid

21. Wen and Zhu, "Primitive capital accumulation," pp. 20–21.

22. Part of the revenue shared by higher levels of government was returned to the county in support of urbanization, according to the county-city Finance Bureau.

23. Wen and Zhu, "Primitive capital accumulation," pp. 20–21.

24. It should be noted that land expropriation was mostly concentrated in the suburban areas.

Table 1: County Government Revenue and Expenditure (million yuan)

Category	1993	1995	% growth
Total revenue	120.28	160.84	+ 33.00
Total expenditure	153.49	200.05	+ 30.00
administrative organs	19.76	40.86	+ 106.00
institutional organs	59.28	98.68	+ 66.00
economic construction	48.62	49.48	+ 1.70
other (unspecified)	25.83	11.03	- 57.00

Source:

*Xuanwei shizhi (Xuanwei County History)* (Kunming: Yunnan renmin chubanshe, 1999), pp. 427–29.

growth in government expenditure has been a general trend in China under reform, as a consequence of growing local state apparatus.<sup>25</sup> Massive government spending is particularly characteristic of Yunnan province where administrative establishments are multitudinous (by comparison to other provinces by average population) because of difficult geography and highly diverse ethnic minority populations. The economic disadvantages in many parts of the province have determined a higher degree of financial dependency by the lower levels of government on the higher levels of government. In addition, the system that puts village cadres on the government payroll has further burdened the government budget.

The county-city under which Banyan township is administered is the largest county in Yunnan with a population of over 1.2 million. The 24 townships and 342 administrative villages of the county create a huge government apparatus which became further inflated after 1994. Having acquired an urban status, the county-city government was granted a greater flexibility in institutional expansion (offices and personnel). As a result, the county expenditure on the government administrative body (*xingzheng danwei*) doubled in two years from 1993 (prior to the county's urbanization) to 1995, and the expenditure on the government institutional organization (*shiye danwei*) increased by 66 per cent during the same period (Table 1).<sup>26</sup>

While expenditure on the government administrative body and institutional organization increased significantly, spending on economic construction hardly showed any growth (1.7 per cent). The 1998 statistics reveal that government investment in agriculture decreased by 11 per cent compared to 1997.<sup>27</sup> The insignificant amount invested in economic construction in contrast to the amount spent on the administrative body and institutional organization would appear to conform to what has been

25. See Marc Blecher and Vivienne Shue, *Tethered Deer: Government and Economy in a Chinese County* (Stanford: Stanford University Press, 1996).

26. The government institutional organization mainly covers the areas of education and public health.

27. "Xuanwei County GDP and Social Development Annual Report 1998."



referred to as the behaviour of “predatory states” that extract “large amounts of otherwise investable surplus while providing so little in the way of ‘collective goods’ in return that they do indeed impede economic transformation.”<sup>28</sup> Although a growth in government spending does not necessarily mean that the revenue generated has directly ended up in the pockets of the local officials (it is however difficult to measure the size of their bonuses), there is little doubt that the government administrations and institutions, and the residents in the urban area, have so far been the primary beneficiaries of land development.

In recent years, county urbanization has significantly improved the infrastructure of the city (high rise blocks and motorways) but has hardly contributed to any change in the villages. Apart from a number of newly built village administration offices, there were few signs of improvement from public funds. Neither the township government nor any village administration increased its spending on the maintenance of irrigation systems, and paddy fields continued to dry out forcing more and more households to abandon rice farming.

To appease the resentment towards land expropriation in general, a portion of land compensation was used by the village administration to defray farmers’ agricultural tax and contributions to collective funds. In some cases, old-age pensions were arranged for the villagers whose land had been expropriated, although the ordinary villagers had little idea of how the schemes would work out for them in the end. Land expropriation in Banyan permitted the households affected to transfer their rural registration into urban status, but no employment was offered.<sup>29</sup> Although urban construction in the county-city did make some employment opportunities available to the rural residents (mainly unskilled jobs in construction), the labour market was simply too competitive especially for the elderly and the infirm.

The continuous land expropriation, the lack of alternative employment opportunities and the meagre compensation all seemed to have encroached upon the economic security of the villagers. To many, land was not only a means of livelihood but also a form of security. Even those with alternative employment who need not live on farming were reluctant to give up their land contracts.<sup>30</sup> For those who were dependent on land for a living, the compensation of 10,000 *yuan* per *mu* was far from sufficient.<sup>31</sup> As the villagers calculated: “The monthly salary of the township chief is 1,000 *yuan* which makes his annual income 12,000 *yuan*; this is more than we are paid for one *mu* of land that we depend on for life.” The simple economic calculation had a moral claim. The

28. Peter Evans, *Embedded Autonomy: States and Industrial Transformation* (Princeton: Princeton University Press, 1995), p. 44.

29. None of the members of households interviewed had been offered a job, nor had they heard of anyone who had.

30. In many subleasing cases, rents were not collected as output was really insignificant. The sub-leasers were mainly interested in keeping their land contracts, and letting others till was a strategy to avoid having their land contracts taken away.

31. The county’s land area per capita was 0.84 *mu*.

economic insecurity together with the feeling of moral injustice drove the villagers to take action against government land expropriation.

### *Taking Action*

Although the size of the compensation for their land was obviously very much at the centre of their grievances, demands for higher compensation were notably inexplicit in the petitions lodged by the villagers. Rather, their appeals were more morally based. The activists in the village collected a bulk of documents which included printed letters of formal petition, personal denunciation letters against individual cadres, signatures of supporters, photographs of government officials in action enforcing land expropriation, copies of land expropriation notifications printed on the township government stationery, and detention warrants issued by the township police to individual villagers.<sup>32</sup> These documents and my interviews all indicate that the villagers' protests were focused on the conduct of the township government in enforcing land expropriation.

The villagers were outraged because the township government used coercive measures. As alleged, officials entered the village late at night banging on doors and forcing the reluctant householders to accept compensation payments; during the day the officials roved around in utility vehicles in the fields destroying crops; when met with resistance they ordered villagers to be detained for "obstructing government administrative work" (*fang'ai zhengfu zhixing gongwu*). The villagers were resentful because land expropriation was often enforced without proper approval from higher authorities.<sup>33</sup> They were bitter because land expropriated in the name of the "public interest" (for example, building schools) often turned out to benefit local officials or private entrepreneurs (for instance, building private residences and setting up business premises).

The villagers also accused the township government of conspiring to take over more land than permitted. In a village, 200 *mu* of land was expropriated to build a county-city ring road, a project affecting some 60 households and over 300 people. The road was designed to be 36 metres wide, but the township government insisted on expropriating a stretch 106 metres wide. The 70 extra metres, according to the villagers, would be sold by the township government to investors for a high profit in which the villagers would not have a share. The township officials, however, denied the accusation and said that the income from the land sale would pay for the cost of road construction.

Despite the widely felt resentment towards land expropriation, there was no concerted action among the villagers in their protest. The different

32. This collection of documents was loaned to me by the villagers.

33. A document in the possession of the villager activists indicated that in the recent land expropriation notifications were issued before the township government's application had been approved by the higher authorities.

demeanours of the activists who formed a minority and by-standers who constituted the majority reflected disparate economic conditions of individuals and their greater or lesser social and economic dependence on the village cadres. By comparison, activists tended to be more outward-looking and well-informed about national policies (like renewal of land contracts, implementation of the Land Law and so on), and generally insolent towards local authorities. The majority of the villagers, on the other hand, were more inward-looking and decidedly less well-informed about what was happening outside their own community.

The group of activists in the village where 850 *mu* of land was expropriated can be sub-grouped into “informal leaders” (using Thomas Bernstein’s term<sup>34</sup>) and “radical followers” (as I see them). Both categories comprised residents in the co-ops located on the edge of the county-city centre, and shared a reputation as “canny and crafty people” (*diaomin*) in the eyes of local officials. The informal leaders undertook the tasks of mobilizing villagers to protest, compiling petition documents, raising funds, collaborating with activists from other villages and lodging complaints. The radical followers were the most courageous and ready to take extreme action. In both social and economic terms, the informal leaders were more resourceful than the radical followers.

The informal leaders whom I interviewed in the village were an old couple in their 60s and two middle-aged men; none was engaged in farming and all demonstrated economic independence of the village leaders.<sup>35</sup> The old couple’s residence was among the wealthiest looking in the village. The husband took charge of collecting and safekeeping the documents for protests, whereas the wife was a vocal and vigorous mobilizer. Their involvement in protests had little to do with subsistence; rather, other villagers informed me, their resentment was caused by the recent land expropriation that encircled their family graveyard. As for the two middle-aged men, one of them was a shop-keeper whose business was located among a number of other private enterprises set up along a busy traffic road; the other was a cook. Both entrepreneurs personally participated in lodging petitions in Beijing and the provincial capital. Their well-to-do status certainly explains why the informal leaders were better informed than others and had a wider social network, because they were the people who not only could afford television sets and telephones, but also had the leisure and money to travel.

By comparison, the radical followers were much less privileged, and land expropriation seemed to have affected their life more than the informal leaders. Those whom I met in the village were a young couple and two elderly people. The young couple, in their late 20s, fought the local officials face-to-face. The wife was said to have once greeted the township government officials by splashing a ladle of farm manure at

34. Bernstein, “Instability in rural China.”

35. Jean C. Oi has noted that in the collective period peasants who had other sources of income than land were more defiant and less dependent on the favours of the team leaders. Jean C. Oi, *State and Peasant in Contemporary China: The Political Economy of Village Government* (Berkeley: University of California Press, 1989).

their vehicle, for which she was detained by the township police for 15 days.<sup>36</sup> The elderly people were a male and a female from separate households. The old man had recently lost 2.5 *mu* of land and threatened to turn to robbery for a living at his old age (“*Wo laole yao qiangren lei!*”). He lived with his youngest son, and both of them were involved in a fight with local officials during which the old man broke his arm (at the time of my interview, he was still bandaged). The elderly woman whose land was also expropriated lived with her two grandchildren. A picture taken by her grandson showed the old woman outstretched on the ground in front of a bulldozer, with her eyes closed. According to a witness, “The old aunt was so outraged that she fainted on the spot.” The actions of the radical followers, to a significant degree, reflect their desperate situation – after all they had very little to lose in fighting with the local officials.

The majority of villagers were by-standers who were generally sympathetic with the cause of resistance, but reluctant to take action. Their reluctance was primarily associated with a fear of the power of the village cadres, the cohorts of the township government. Most of the villagers interviewed complained about the economic difficulties they suffered as a result of land expropriation, but would not take action against it. Even though many believed that village cadres had personally profited (as they were frequently seen dining in restaurants and smoking brand-name cigarettes unlikely to be affordable on their regular wages), the ordinary villagers would not point a finger at any of them. Lacking alternative means of living other than farming, the villagers were totally at the mercy of the village cadres who controlled the vital resources that the households depended on for livelihood, and therefore could not afford to challenge the authorities. Although it does look as if the “self-interest of individuals dominated by the welfare and security of self and family” made it “extremely difficult for them to sustain coherent collective action on a scale larger than a family or close kin group,”<sup>37</sup> the basis of the choices made by the majority of villagers was after all not so different from that of the activists, that is, a desire to safeguard their own economic interest.

The differences in economic conditions and social standing in the village explain why taking resistant action was limited to a handful of activists. Following a number of small-scale clashes with local officials in the village, the activists took the two major steps of lodging their petitions. Between the end of 1998 and the beginning of 1999, a delegate from each of the two co-ops that had been worst hit by land expropriation set out to Beijing. Driven by the desire to gain the biggest publicity possible, the petitioners went straight to the national television (CCTV).

Public media have been credited with an important role in transmitting national policies and exposing corruption and abuses of government

36. Her detention notification was included in the pile of documents collected by the villagers.

37. Samuel L. Popkin, *The Rational Peasant: The Political Economy of Rural Society in Vietnam* (Berkeley: University of California Press, 1979), p. 31; Richard Madsen, *Morality and Power in a Chinese Village* (Berkeley: University of California Press, 1984), p. 8.

officials, and inspiring villagers to lodge complaints. CCTV runs a regular programme “Focal Point” (*jiaodian fangtan*) at evening prime time devoted to exposing social problems that put the corrupt behaviour of local governments very much in focus. The programme is so popular that it has attracted people from all over the country to the television station in the hope of having their grievances broadcast.<sup>38</sup>

During my fieldwork in March 1999, the “Focal Point” programme broadcast the case of a county government in Chongqing municipality “improperly” (if not illegally) expropriating 600 *mu* of land for commercial construction, 18 months after the central government had issued a document putting a stop to all construction projects involving the expropriation of arable land, other than “state key construction projects.”<sup>39</sup> This case demonstrated striking similarities with what happened in Banyan: even the time of land expropriation coincided, but the scale of the land expropriation in Banyan was much bigger. The petition lodged by the villagers from Banyan township, however, received little publicity. According to the villagers, the television people listened to their story, and told them to return to their own province to look for a solution.<sup>40</sup>

When they subsequently took their petition to the provincial and prefectural governments, who were regarded as different from the “local bullies,” the petitioners were advised to talk to the officials at the next level down. Finally, they arrived in the county seat where they were given what they called “decent” treatment. According to one of the petitioners,

We had been to Beijing, Kunming, and Qujing [prefectural seat] to lodge our complaints. In the end we received decent treatment from the county-city Party secretary who treated us to breakfast. At the table, he listened to our complaints. He agreed that the compensation was small, and promised to look into the matter. He assured us that he would send somebody down to investigate; then he persuaded us to return to the village. We have, however, not heard from him since.<sup>41</sup>

After all their efforts, the petitioners found themselves back where they started. The reception by the Party secretary was nothing but a false pretence intended to defuse the anger of the villagers at the time. While they were still clinging to the hope that the county-city Party secretary might after all offer his support as promised, rumours began circulating that the township government was about to send bulldozers to the village. That was in late March 1999, though the rumoured action did not take place until 13 May. Apparently, conflicts between the villagers and government officials had by this time considerably escalated. The government personnel allegedly used water hoses to disperse the crowd. The event reportedly ended with 17 people being arrested; ten of them were later released and the remaining seven were charged on criminal grounds.

38. As reported, petitioners were lining up at the gate of the CCTV for their turns to lodge complaints. *CND-Global* (11 February 2000).

39. “How did the farmland disappear?” CCTV “Focal Point” (22 March 1999).

40. This might indicate that there have been numerous cases of a similar nature encountered by the television station.

41. My interview with one of the informal leaders in the village.

According to one of the informal leaders, the township government summoned the villagers to attend the trials, but the “masses (*qunzhong*) were so angry that they refused to turn up in court.”

Despite their defiance, the suppression had clearly been a terrifying experience for the villagers.<sup>42</sup> But, three months after what the villagers referred to as the “13 May event,” another villager reportedly set out for Beijing to lodge a petition. This time the move was extremely covert. To avoid being intercepted by the local officials, the petitioner was said to have taken an alternative route via the neighbouring province of Guizhou. By the end of December 1999, there had been no news about his whereabouts, as nobody had seen or heard from him since he left the village in late August. What was known is that the lone petitioner had taken with him 10,000 *yuan* – the compensation for his land expropriated by the township government – and that he was determined to deliver his petition to the highest leadership of the central government.

### *Bifurcation of the State*

During my household interviews in the village, I frequently encountered complaints not only about land expropriation but also about the postponed renewal of land contracts, the escalating tuition fees and the education surcharge that affected a wide range of households, and the deterioration of irrigation and the environment.<sup>43</sup> When they complained, the villagers consciously differentiated the local government from the central government. The differentiation was conveyed in the following words: “The central policies are good and in favour of us peasants (*dui women nongmin you haochu*). But when they reach the provincial level, the policies have gone out of shape (*zou yang le*). The further down, the more distorted the policies become. By the time they reach the village, the policies have completely changed from what they were in the first place (*shenme dou bushi le*).”<sup>44</sup> To the villagers in Banyan, land expropriation was a local policy which contradicted central policies intended to protect their interests. This was the reason that they took the initial step of lodging their petition in Beijing, as they believed that the further up they went, the greater the likelihood the settlement would be in their favour.

The distinction between the “benign” central state and the “malign” local state, as perceived by the villagers, mirrors Eric Hobsbawm’s description of the relation between peasants and monarch in Europe before the 19th century, where the kings or emperors were, in the eyes of

42. The activists were no longer hanging around at the street corner soliciting sympathizers, and their voices were notably hushed at my interviews.

43. The payment for primary and middle school education was outrageously high compared to the average household income, but so far land has been the focus of the villagers’ complaints. This again suggests that the value of land as subsistence and security is paramount. No complaints about agricultural tax were voiced since its payment has been defrayed by the village collective using the land compensation.

44. This comment from one villager was echoed by many others.

peasants, “by definition just.”<sup>45</sup> While the peasants’ relation with the central state in imperial China is regarded by Hobsbawm as an exception in view of the peasant rebellions that had overthrown a number of dynasties, it has been observed that in Republican China the rural residents “viewed the central government as an ally in their struggles against the incessant demands of entrepreneurial local administrations and their agents.”<sup>46</sup> Despite the change of government, the distinctions between central and local states prevailed under Communist rule where vulnerable peasants swindled by local officials were found desperately clinging to the belief that Chairman Mao “is the only person who cares about us peasants!”<sup>47</sup> The rural resistance spread in the recent decade has also demonstrated that “villagers do not experience the Chinese state as a single entity with a single face.”<sup>48</sup>

The bifurcated state in the eyes of the villagers is a result of the spatial distance between the villagers and local government, and between the villagers and the central government. This has its root in the structure of Chinese rural society which is perceived as “an enormous honeycomb of small, similar, connected yet more or less fully bounded cells.”<sup>49</sup> The cellular formation is shaped by the standard marketing structure.<sup>50</sup> In the present bureaucratic system, the standard market area is under the jurisdiction of the township government. The state with which the villagers normally interact is, therefore, the township government. In this structural setting, the relationship of the villagers with the central state is political and symbolic, whereas their relationship with the local state is social and economic. The relationship between the central state and the villagers is maintained at a moral level, whereas that between the local state and the villagers is more tangible and tied to interests in concrete terms, and the competition for control over economic resources between the two groups forms a major source of social conflicts.

The distance that separates the villagers and the central state in their day-to-day life is the fundamental reason why people at the grassroots level “confined their struggles” to “fighting those oppressors with whom they had immediate contact.”<sup>51</sup> Even when the protests were anti-state in nature, officials of the local state bureaucracy (county and sub-county)

45. Eric Hobsbawm, *On History* (New York: The New Press, 1997), p. 202.

46. Patricia M. Thornton, “Beneath the Banyan tree: popular views of taxation and the state during the Republican and Reform eras,” *Twentieth-Century China*, Vol. XXV, No. 1 (November 1999), p. 17.

47. Huang Shumin, *The Spiral Road: Change in A Chinese Village Through the Eyes of a Communist Party Leader* (Boulder: Westview Press, 1989), p. 88.

48. Kevin O’Brien and Lianjiang Li, “The politics of lodging complaints in rural China,” *The China Quarterly*, No. 143 (September 1995), p. 782.

49. Vivienne Shue, *The Reach of the State: Sketches of the Chinese Body Politics* (Stanford: Stanford University Press, 1988), p. 3.

50. See William G. Skinner, “Marketing and social structure in rural China,” part I, *The Journal of Asian Studies*, Vol. 24, No. 1 (November 1964), pp. 3–43.

51. Hobsbawm, *On History*, p. 202.

were perceived by the protesters to be the “primary antagonists.”<sup>52</sup> In Banyan, the township government was unequivocally the primary target in the villagers’ protests, because it was the township government that issued notifications of land expropriation and its officials who took over the land from the village by force. The physical presence of the township officials in enforcing land expropriation intensified the antagonism which subsequently affected the villagers’ resistance.

In land expropriation, all manoeuvres initiated by the township government were regarded by the villagers as “illegal,” but in the eyes of the township government officials, every act of land expropriation was “according to law” (*yifa zhengdi*).<sup>53</sup> The villagers accused the township government of “destroying the life of the peasants” (*zhi nongmin yu sidi*), while the township government condemned the villagers for being “unreasonable” (*bu jiangli*). In a situation where the township government has jurisdiction over everyone in its designated territory, the villagers were forced to turn to a higher level of state for help, and the central government was to them the “ultimate saviour.” The benign image of the central government in this regard is a by-product of social and economic conflicts at the local level.

Seeking allies at higher levels of state was clearly the main strategy of the villagers’ resistance in Banyan. Having failed to find a solution in Beijing, the petitioners went to the provincial, prefectural and county governments whom they generally regarded as forces that could be counted on to right wrongs at the grassroots level.<sup>54</sup> But contrary to their high expectations, none of their attempts yielded any result in their favour. Obtaining a solution at the level further down was the advice that the villagers were given at each level. This is how the petition lodged by the villagers in Banyan ended at the county-city government with a reception by the Party secretary at the breakfast table.

What is notable is that their failure to gain the support of the higher state in their previous protests against the township government seemed not to have prevented the villagers of Banyan from continuing to place their hope on the central government. Symbolic as it is, the action taken by the lone petitioner covertly setting out for Zhongnanhai in fact makes sense in the villagers’ resistance. This is because in the physical environment to which they are confined, the villagers really have few other options but to count on the higher level of government. What happened in Banyan would seem to suggest that the more predatory the behaviour of the local state, the more inclined the villagers would be to count on the central state for justice. Hence the image of a bifurcated state is being reinforced.<sup>55</sup>

52. Thornton, “Beneath the Banyan tree,” p. 16.

53. This was even printed on the official notifications issued by the township government.

54. See also O’Brien and Li, “The politics of lodging complaints.”

55. See also Neil J. Diamant, *Revolutionizing the Family: Politics, Love, and Divorce in Urban and Rural China, 1949–1968* (Berkeley: University of California Press, 2000). Decentralization, as Diamant argues, “made central state institutions all the more necessary to get justice” for the peasants (p. 244).



### Conclusion

This study of land expropriation in north-east Yunnan concerns issues of property rights, the institutional relations between the local government and village collective, and dynamics of relations between villagers and the state at the central and local levels. These issues are important because they represent, to a large extent, major changes in Chinese rural society brought by the economic reforms in the past two decades.

As it has been argued, “reform policies, by their own nature, create possibilities for reallocating resources.”<sup>56</sup> Land expropriation in Banyan has illustrated how the reassignment of property rights in the aftermath of decollectivization contributed to the dominant role of the government, and how the particular practice of property rights resulted in conflicts between the local state and the rural populace. Land development in Banyan revealed that local officials are “rational actors who respond to incentives and existing constraints within the limits of their cognitive ability to evaluate alternatives and process information.”<sup>57</sup> The lack of interest in renewing land contracts contrasted sharply with the incentives of the county and township governments in enforcing land expropriation. The differences in revenue rewards showed why the central policy on the renewal of land contracts was postponed while land expropriation was so enthusiastically pursued.

The role of village administration as the sole representative of collective ownership and its relationship with the grassroots government are essential to the prevalence of “government behaviour” in land expropriation. Would village elections make a difference? The answer is, they very well may, given that an electoral system is likely to change the relationship between village administrations and the township government, and in due course the relationship between village leaders and villagers.<sup>58</sup> But for now, the villagers in Banyan have no such option. In December 1999, just before the provincial People’s Congress promulgated regulations on village elections in Yunnan, the Banyan township government reappointed the leadership in all villages for another three-year term in office. This manoeuvre was defended by one of the village leaders who claimed: “In this place, it is necessary to have the appointment system because the village cadres undertake the toughest administrative work.” Indeed, the Banyan experience suggests that in the absence of an appointment system, there would be little to ensure cadre loyalty and commitment, and without cadre loyalty and commitment there would

56. David Zweig, “Urbanizing rural China: bureaucratic authority and local autonomy,” in Kenneth G. Liberthal and David M. Lampton (eds.), *Bureaucracy, Politics and Decision Making in Post-Mao China* (Berkeley: University of California Press, 1992), p. 340.

57. Jean C. Oi, *Rural China Takes Off: Institutional Foundations of Economic Reform* (Berkeley: University of California Press, 1999), p. 7.

58. It has been noted that elected village cadres may be “more willing to confront township officials,” and “more courageous in standing up to grasping township officials.” See Lianjiang Li and Kevin J. O’Brien, “The struggle over village elections,” in Merle Goldman and Roderick MacFarquhar (eds.), *The Paradox of China’s Post-Mao Reforms* (Cambridge, MA: Harvard University Press, 1999), p. 142.

be nothing to ensure the implementation of unpopular policies, like land expropriation.

Economic benefits were the focus of the conflicts between the villagers and local officials. A comparison of the distribution of income from land development illustrated the exploitative nature of land expropriation. Of all the parties involved in land expropriation, the ones who were dependent on land for a living turned out to be the least compensated. The contrast between the government expenditure on administrations and institutions and the government investment in agriculture, and the reality of life in the village suggest that the rural residents have been largely left out of the prosperity generated by land development. The feeling of being deprived of livelihood and welfare was the main driving force behind the acts of resistance taken by the villagers. Nevertheless, the villagers who were willing to confront the local officials publicly turned out to be only a minority. The lack of concerted action among the villagers was mainly determined by economic factors.

Despite their persistence, the villagers' protests seemed to have made little impact on government policy in the locality, as nothing has so far prevented the township government from taking over the village land, and plans for further land expropriation are under way.<sup>59</sup> The enforcement of land expropriation in Banyan reveals the paradoxical effect of China's economic reform which was intended to get the state off the backs of the farmers. Although this may have happened for the "greater" state as a result of the implementation of the household responsibility system and the abandonment of central planning in rural production, the "lesser" state may have just become far too intimidating to the farmers as the reform deepens.<sup>60</sup> The escalating conflicts in rural society seen today are outcomes of the increasingly predatory behaviour of local state officials, which is immediately accountable for the image of the bifurcated state. The bifurcation of the state perceived by the villagers in Banyan wherein the central state stands for justice and the local state for injustice is significant to an understanding of the complexity of state-peasant relations in China.

59. According to the county government plan, land development entered its second phase in 2000, and the third phase is set to begin in 2010. *Xuanweishi tudizhi – songshengao* (*Xuanwei City Land Administration Record – Draft*) (Xuanwei: Yunnansheng Xuanwei tudiguanliju, 1998).

60. This has been described as a result of the state "being reshaped" in the reform. See Xiaobo Lu, "The politics of peasant burden."