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Beyond the ownership question: who will till the land? The new debate on China’s agricultural production

Article (Accepted version)
(Refereed)

Original citation:
Hayward, Jane (2017) Beyond the ownership question: who will till the land? The new debate on China’s agricultural production. Critical Asian Studies, 49 (4). pp. 523-545. ISSN 1467-2715

DOI: 10.1080/14672715.2017.1362957

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Available in LSE Research Online: March 2018

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ABSTRACT: A high-profile debate is taking place in China concerning the organization of agricultural land and production, with profound implications for China's countryside. This debate is between those advocating for agricultural production to be taken over by large-scale agribusinesses, and those against this. Proponents regard agribusinesses as embodying modernity and progress, while those against forewarn of the channeling of profits out of peasant hands, the loss of peasants' autonomy over labor and land, and the destruction of rural life. Recent English language publications on China's agrarian change highlight the growing power of agribusiness and related processes of depeasantization, implying the Chinese debate on “who will till the land?” is futile. But this view obscures efforts by Chinese scholars and policymakers to promote forms of agricultural organization conducive to maintaining peasant livelihoods. By examining the Chinese debates on agribusinesses, family farms, and cooperatives, this article highlights points of contestation among policymakers and alternative possibilities, which may yet shape the course of China's agrarian change. This article contributes to scholarship on China's agrarian change, broader questions concerning depeasantization, and developmental possibilities under collective ownership.

Key words: China, peasants, land reform, agrarian change, privatization

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Introduction

In five or ten years’ time, who will till China’s land? How will they till the land? Will it in fact be capitalist large-scale corporate enterprises of hired labor? Or peasant cooperatives developed on the basis of peasant household enterprises, implementing socialized services? At the moment, we are in a period of carefully considering this question.¹

Over the last several years the organization of agricultural land and production in China has been widely debated, with profound implications for the development of the countryside and the people living there. This debate over “who will till the land?” (shui lai zhongdi?) has taken place in policy and academic journals, in online forums, and at all levels of government. The debate, which is highly complex, is between those advocating for agricultural production to be taken over by large-scale agribusinesses, and those against this.²

¹Chen Xiwen, quoted in He 2013.
²There is more than one way to categorize the positions in this debate. In my interpretation, the key division is
Proponents regard agribusinesses as embodying modernity, progress, efficiency, competitiveness, and profitability. Their opponents warn against the channeling of agricultural profits out of peasant hands, loss of autonomy over their labor, loss of their land, and, ultimately, the wholesale destruction of rural life.

Yet, as this debate has been proceeding, a substantial and surprisingly coherent body of scholarship has emerged in English language publications which highlights the growing power of agribusiness and implies that the Chinese debate is futile and detached from reality. It does this in four ways. First, it identifies large-scale agribusiness as the government’s favored mode of agricultural modernization. Second, it points to a growing trend of arable land being taken over by agribusinesses. Third, it highlights processes whereby indigenous alternatives are failing to take hold, or gradually being subsumed to – or displaced by – large-scale corporations. Fourth, it illuminates how processes separating peasants from their land and livelihoods are already well underway.

This scholarship emerges, in part, in response to earlier claims that processes of proletarianization, or depeasantization, have not occurred as expected in China’s countryside. The picture presented is compelling, as it coheres with Eurocentric assumptions about the inevitable disappearance of the peasantry with the development of capitalist relations. If this is the case, however, what is the point of this ongoing Chinese debate on agricultural production? If the triumph of agribusiness is a foregone conclusion, why does this debate continue to percolate within China, and does it actually matter?

In fact, the perspective set out above provides only a partial view, obscuring the important ways in which the question of agricultural organization continues to be contested at the highest levels of policymaking within the PRC. Of all the scholars and local officials I interviewed in preparation for this article, none agreed that large-scale agribusiness was considered by the central government to be the driving force of agricultural modernization. On the contrary, the hopes placed in it appear to be falling short of expectations. A recent report by the Development Research Centre of the State Council argued, “compared with corporate farms...family farms enjoy economic management efficiency[.] We should stick to the building of family farms, but not corporate farms, as the major mode for future agricultural management.”

In this article I draw attention to how the main alternative forms of agricultural organization promoted by the central government -- family farms and cooperatives -- continue to feature strongly in policymakers’ plans for rural development. This is rooted in the knowledge that China’s vast peasantry, currently consisting of over 200 million small farms, has a long future ahead of it. I demonstrate this by providing a historically embedded

whether the profits of production flow primarily into the hands of local peasant producers, or are extracted by incoming corporations.

3 Schneider 2017, 6; Luo, Andreas and Li 2017, 27; Gong and Zhang 2017.
4 Ye 2015, 327; Yan and Chen 2015, 376; Luo, Andreas, and Li 2017, 29; Zhan 2017, 28; Schneider 2017, 9; Gong and Zhang 2017.
6 Chuang 2014; Yan and Chen 2015, 388; Andreas and Zhan 2016; Huang 2015.
7 Zhang and Donaldson 2008, 44; Post 2008, 324; Huang, Yuan and Peng 2012.
8 “The Western view, and especially the agricultural paradigm entailed in it, is strongly based on linearity: that history only proceeds in one direction.” Ploeg and Ye 2016, 10.
9 Gao 2017, 40.
10 Zhang 2016.
11 Ploeg and Ye 2016, 1.
and empirically grounded analysis of the political thought, core issues, and argumentative strategies deployed by Chinese policymakers and scholars in this debate. The article contributes to the burgeoning scholarship on China's agrarian change. It also speaks to the still unresolved question of depeasantization in China, and raises questions about the possibilities for economic development rooted in collective ownership.

From 2013 until 2016 I held a postdoctoral position at a leading research institute in Beijing, where I conversed frequently with those involved in the debate over agricultural production. I conducted formal interviews, attended lectures and public talks by leading scholars and policymakers in the field, and undertook two fieldwork trips to Chengdu, in July 2015 and May 2017. There, I interviewed and conversed with officials from the Agricultural Affairs Commission of the Chengdu Municipal Government, and visited several villages where I conducted further interviews with local officials and villagers involved in land transfer schemes. I have combined this field research with a broad range of textual analysis of Chinese government policy documents and articles in academic journals and Chinese newspapers.

The article is organized into two parts. In part one I lay out the historical and political background of this debate. First, I show how it emerged out of earlier debates on China's rural land ownership. The fact that China's rural land continues to be collectively owned has confounded the expectations of many observers. Indeed, China's developmental trajectory has routinely defied Eurocentric predictions, particularly regarding rural land organization and its social effects. Second, I locate the question of land ownership in a world historical context. Once embedded within a world market, private small-holders are often unable to sustain their livelihoods and are severed from their land. This issue is of ongoing concern to Chinese leaders and continues to shape policymaking towards the countryside. Third, I discuss how China's peasants have maintained their land through collective ownership, which has enabled mass migration into cities without the extent of land loss that many predicted. This form of collective ownership, nevertheless, impeded productivity and capital accumulation, problems which became increasingly urgent over time. Fourth, I discuss how problems associated with arable land organization led to the formal approval of land transfers, rather than privatization. This created an arable land market under collective ownership — intended to safeguard peasants' access to their land, while promoting development.

In part two, I examine the debates on land transfers, with respect to agribusiness, family farms, and cooperatives. First, many policymakers view agribusinesses as the solution to modernizing China’s countryside. However, while there is some consensus concerning the role of corporations linking small producers with supply chains, there is controversy over agribusinesses taking over arable land, and the entry of urban industrial capital into agriculture. Those opposing warn of the loss of arable land, and the degradation of peasant livelihoods. Second, I examine an emerging body of English language literature which, similarly, identifies a new form of enclosure movement. While this literature provides crucial insights, I raise questions about the coherence of the narrative collectively suggested, particularly regarding the future of agribusiness in China. In the final two sections, I examine debates on family farms and cooperatives, challenging the notion of a unified, fixed state vision for the countryside. On the question of family farms, I point to disagreements among policymakers on whether “bigger is better.” In contrast, I suggest a more egalitarian arrangement of smaller, family-run organizations may yet emerge. On cooperatives, in contrast to more pessimistic accounts, I highlight ongoing efforts within China to explore viable forms of cooperative organization. Despite the numerous failed cases to date, I point to how recent successes continue to spur hope for a future role of cooperatives in China's development. I conclude by suggesting that the urge to identify a “grand narrative” of China's
agrarian change is best resisted.\textsuperscript{12}

I. The land privatization problem

Many outside observers of China, particularly Anglo-American scholars and journalists, have assumed China will, or should, follow European histories of capitalist development, and are baffled or critical when it does not. Most notably, since reforms began in 1978 the Chinese government has continually thwarted the hopes and expectations of many by its refusal to conform to the neoliberal or Washington Consensus models of development by privatizing rural land. This is incongruous with the belief that private property is necessary for development, namely that “secure, private, and formal tenure are imperative for stable, economic growth.”\textsuperscript{13} Indeed, the notion of the immanence of private property to development transcends the current moment of neoliberal hegemony. It underpins the dominant modernization paradigm derived from both liberal and Marxist thought, famously narrated in Marx’s account of the English enclosure movement, according to which the peasants are severed from their land through processes of commercialization and privatization, and forced onto the labor market to form a proletariat. In recent decades, therefore, China's rapid growth and integration into the global capitalist economy, without the implementation of private land rights in the countryside and the ensuing mass proletarianization of the peasantry, has posed a conundrum.\textsuperscript{14}

Indeed, the assumption that China is ultimately destined to replicate European historical trajectories rooted in private landed property has led to a number of skewed interpretations or inaccurate predictions. Some scholars on the left, witnessing primitive accumulation in the form of land grabs by local officials in league with developers, and accompanying rural-urban migration on a mass scale, presupposed a rerun of capitalist histories involving the peasantry's mass expulsion from the land.\textsuperscript{15} Such analyses, while compelling at the time, neglected the crucial fact that, despite the many traumatic dispossessions that have taken place, due to the overall maintenance of collective land rights in the countryside, the vast majority of peasants have kept their land, and thus “[a]n army of landless vagabonds has not emerged.”\textsuperscript{16} China's development path has thus appeared somehow warped or distorted, the assumed proper trajectory of mass proletarianization seeming “partial,” “unfinished,” or “incomplete,” the assumption being that we, as China scholars, know where it is going - and, or at least should be going.\textsuperscript{17}

Meanwhile, the non-commodified nature of rural land and the lack of social differentiation of rural producers appeared to demonstrate that “the Chinese countryside remains decidedly non-capitalist.”\textsuperscript{18} On the neoliberal right, the lack of private property was regarded as an irrational hindrance to full market relations commensurate with rural modernity.\textsuperscript{19} When the PRC Property Law was passed in March 2007, the first piece of

\textsuperscript{12}Gao 2017, 40.
\textsuperscript{13}As discussed by Ho 2013, 1090.
\textsuperscript{14}Debates over the question of China’s land privatization flourished in Chinese policymaking circles since the 1990s, see, Qin 2003; Wen 2007; Zhang and Donaldson 2013; Gao 2017, 35-7.
\textsuperscript{15}“[T]his modern version of primitive accumulation...amounts to the greatest enclosure movement in history...And, as in the past, this process is hothousing the emergence of a class of newly rich capitalists, side-by-side with growing millions of unemployed and starving.” Smith and Holmstrom 2000; see also Walker and Buck 2007, 42.
\textsuperscript{16}Zhang and Donaldson 2008, 44. See also Post 2008, 324; Huang, Yuan and Peng 2012, 164-5.
\textsuperscript{17}Pun and Lu 2010; Webber 2008, 302.
\textsuperscript{18}Post 2008, 324. Also: “[c]apitalist agriculture” as usually understood accounts for only a very small portion of Chinese agriculture today[.].” Huang, Yuan and Peng 2012, 167-8.
\textsuperscript{19}Prosterman 2003; Saich 2007.
legislation since 1949 to enshrine legal protection of private property, many observers were bewildered by the Chinese government’s refusal to extend these private property rights to rural land.20 This was construed as leaders clinging to outdated socialist ideals or fearing to stray too far from the legitimating Communist Party ideology, dubbed “a great missed opportunity and a demonstration of Hu Jintao's lack of courage.”21 Again, in 2008, following then-President Hu Jintao’s much publicized visit to Xiaogang village in Anhui Province, the famous symbolic birthplace of the Household Responsibility System that had launched the reforms, the story broke in the international media that the Party was about to announce the privatization of rural land. The timing of Hu's visit was just prior to the Third Plenary Session of the Seventeenth National People's Congress and, for many observers, Hu's speech in support of local experimentation with land organization could only mean one thing.22 When the anticipated private property reforms failed to materialize yet again, the Third Plenary Session was dismissed as an “abortion,”23 a “damp squib,” and a sign of development being obstructed once more by China's backward, ideological leaders.24

Despite these assumptions, historically the commodification of land has never hinged solely on the institution of private property, which is neither sufficient nor strictly necessary.25 Indeed, the question of how capitalistic forms emerge under collective ownership has long been pertinent to China. For Peter Ho, for example, the unclear nature of collective land rights has enabled the large-scale appropriation of arable land for urban construction, fueling substantial real estate profits and local government revenue, and thus “[p]ut bluntly, the flexibility and opacity of China’s land markets are perhaps the very drivers of China’s capitalist development.”26

Nevertheless, holding too fast to liberal concepts of development centered on private ownership, many failed to recognize the real significance of the rural reforms launched at the 2008 Third Plenary Session, which formally promoted not privatization, but land transfer, or circulation (liuzhuan).27 The significance of this policy in bringing about major social and economic transformations in the countryside is now apparent. Before examining this issue, the following two sections will discuss the broader historical and political context within which the question of China's rural land organization is situated, and the circumstances under which land transfer, as opposed to privatization, came about.

World historical context

The promotion of land privatization around the world by free-market institutions such as the World Bank and IMF is well-known. But ironically, the strongest impetus for capitalist powers last century to promote land privatization came from the need to compete with programs distributing land to peasant households implemented by communist movements. Despite Mao's association with the People's Communes, the Chinese Communist Party had swept to victory in 1949 in just this way. A few decades earlier, the Bolsheviks had likewise come to power in Russia by promising land to the peasantry. Throughout the 1950s, most famously in Cuba and Vietnam, but also in many parts of Asia, Latin America, and the

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20“‘This latest law...will not bring the full property-rights revolution China's development demands.” The Economist 2007.
22Wong, 2008.
23Liang Jing quoted in Li 2009, 2.
24The Economist 2008a; The Economist 2008b.
26Ho 2013, 1110.
27Li 2009, 2; Ye 2015.
Middle East, communist movements emphasized rural land redistribution. For U.S. foreign policymakers at that time, the peasants of the world were deemed inherently dangerous, a threat to U.S. national interests and the establishment of a liberal, capitalist world order. Thus, peasantries were wooed – and militarily coerced – to ally with the capitalist market system through competing programs of land distribution to individual households. This took place in Taiwan in the 1950s in direct response to the Communist Party’s “bloody and ineffective” land reforms on the mainland.28 Unlike the egalitarian communist versions, these agrarian reforms linked the idealized American-style family plot, liberal economic concepts of profit incentive, efficiency, and progress, and the ideals of freedom and democracy, all within a market-led framework. While a minority of peasants excelled under these programs, the majority were impoverished and dispossessed as the U.S. unloaded its grain surpluses onto the world market.29

The promotion of land privatization in the developing world continued in the post-Cold War era. The 1990s saw a renewed orientation by development institutions such as the World Bank towards private land entitlements. This occurred in the context of the collapse of collectivized agricultural production in the Soviet Union, and was supported by transnational agribusinesses desiring secure production arrangements for their subcontracting producers. Secure land rights came to be seen as central to the development of market relations.30 Yet, ironically, despite the lauding of private property as the guarantor of a secure livelihood, once embedded within capitalist market relations the ownership or private tenancy of small household farms all too often becomes the route to destitution. As Marx had observed of late-nineteenth century France after the abolition of serfdom, “what is now ruining the French peasant is his small holding itself.”31 Thus, in a process recalling that of nineteenth century Europe, commercial food exports resulted in the erosion of small-scale agriculture in the southern hemisphere, incapable as it was of competing with large-scale agribusinesses in the North. In the name of efficiency, imported grain replaced national self-sufficiency.32 The decimation of national agricultures became the means for organizing a new global division of labor – a massive transnational army of workers to serve the needs of industrial capital based in the North – a process that Farshad Araghi has termed “the great global enclosure of our times.”33 The global proletariat which has resulted is manifested by the existence of vast slums surrounding the major cities of India, Mexico, Brazil, and elsewhere, which serve as a warning for China.34

Indeed, the question of China’s rural land ownership is not contained within China’s territorial boundaries, but is subject to the interests of global capital. It is no coincidence that Landesa, a Seattle-based advocacy group and one of the foremost international proponents of China’s rural land privatization, was founded and headed by Roy Prosterman, now Chairman Emeritus, one of the architects of U.S. land reform programs in post-colonial countries during the Cold War. Advocates of rural land privatization, both within and outside China, thus play into the dynamics of a political project geared towards expropriating China’s collective property in the interests of global private capital.35 When corporate land grabs surged following fiscal reforms in the mid-1990s, leading to widespread peasant resistance, many in Chinese policy circles believed individualized private property rights would only further

28W.L. 1953.
29Araghi 2009, 125-9.
30Akram-Lodhi, Kay and Borras 2009, 221-2.
31Marx 1937 [1851-2], 63. For contemporary discussions, see Krishna 2004; Akram-Lodhi 2007.
32McMichael 1997, 642.
33Araghi 2001; Araghi 2009, 133. See also McMichael 1997, 638; Cammack 2002.
34Li 2008.
35Erickson 2008.
weaken peasants’ bargaining power in the face of corporate might. The case against land privatization in China, then, rests not on some socialist dogma, but on the historically and empirically grounded recognition that once embedded within unequal world market relations, land privatization facilitates dispossession. This fact, too little understood by liberal critics outside China, has profoundly shaped Chinese policymaking.

**The Chinese context**

The Chinese peasantry has been largely shielded from these global processes. During the Cold War, under Mao Zedong, as America sought to combat the spread of communism through the promotion of family farms throughout the Third World, rural land privatization came to be understood, unsurprisingly, as explicitly anti-socialist. Thus, once the Chinese Communist Party had fully consolidated power, rural production was reorganized collectively, culminating in the People's Communes. Following the death of Mao, the communes were dismantled and the Household Responsibility System established under Deng Xiaoping. Rural land was divided up and parceled out on a household basis. The goal was to improve production by allowing full household autonomy. Yet, to prevent the concentration of land in the hands of a wealthy minority, what was parceled out was not actual land ownership, but land contract and management rights. Ownership remained collective, held by the administrative body of the village committee. Each household could organize production on the plots of land contracted to them for a fixed period, after which, following demographic changes, the available land would be redistributed anew between households on an egalitarian basis. Land could not be bought, sold, or mortgaged and, significantly, villagers could not lose their land entitlements through poverty or indebtedness. Proletarianization was thus deliberately prevented.

The agricultural sector is profoundly important to China's leaders. North American-trained economists tend to view agricultural land solely in terms of its economic function, but in China, it has broader significance, both socially and politically. First, it functions as a bottom-line social safety net. Peasant households can survive off their land even when faced with lack of employment or saddled with debt. This has shielded city governments from the obligation of providing welfare and permanent housing for migrant workers or their families while avoiding the problem of urban slums. This also lowered the cost of migrant labor, enhancing China's appeal to foreign investors. According to Lin Chun, “[t]he enormous yet hidden contribution of China’s collective land to global capital and expansion still awaits conceptual exposure.”

Second, a healthy agricultural sector is regarded as crucial for national food security. A legacy of the Cold War, China's leaders see reliance on foreign imports as leaving the country vulnerable both to market fluctuations and possible food embargoes. The central government therefore places a high priority on both agricultural productivity and the protection of China's scarce arable land. Minimum target levels are set for self-sufficiency in grain production and a minimum red line level for arable land has been set at 1.8 billion mu (one mu = 0.067 hectares).

Despite its advantages, the Household Responsibility System has shortcomings which threaten its ability to fulfill these functions. Plots of land are small, scattered, and unsuited to mechanized farming methods. Due to the relatively short contract periods (initially five

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36 Zhang and Donaldson 2013, 264-5; Sargeson 2013.
37 On the social functions of China's agricultural land, see Ploeg, Ye and Pan 2014.
38 Lin 2015, 34.
39 Huang and Yang 2017, 122, 124.
40 It is disputed that large-scale mechanized farming is necessary, or ideal, in the Chinese case. Philip Huang, for
years or so), households had little incentive to make long-term investments in their land. It was difficult for the small producers to integrate into larger supply chains, and raising income levels was not easy. These problems became increasingly urgent from the late 1990s, for the following reasons.

First, fiscal reforms in 1994 reduced the share of central government funds to the localities, imposing on local governments the responsibility for replenishing their own budgets. In what became known as the “peasant burden” (nongmin fudan), local governments responded by imposing extra taxes and fees, impoverishing peasant households and dramatically widening the urban-rural wealth gap. Local governments also turned to land conversions as a major source of revenue, turning over large areas of rural land to developers for construction purposes, in often illegal but lucrative deals. The result was a surge in land grabs and peasant disposessions, leading to multiple cases of social unrest. Sally Sargeson estimates that between 1990 and 2008, 4.2 million hectares were expropriated for urban development, and eighty-eight million peasants lost their land.41 By the turn of the century, a rural crisis was widely acknowledged in policy circles, expressed as the “three rural problem” (sannong wenti) – reflecting serious concerns related to agricultural production, village institutions, and the lives of the peasantry.42 Raising peasants’ incomes and improving arable land productivity became national priorities.

Second, just as the rural crisis was emerging, in 1999 China finally succeeded in negotiating its long-awaited entry into the World Trade Organization (WTO). Recalling the devastation of small-holding agriculture in nineteenth century Europe and of developing countries in the twentieth century, critics raised concerns that China’s small-holding farmers were likewise ill-equipped to withstand the international competition.43 Grain from the US was well-known to be cheaper and better quality. Proponents, on the other hand, placed hope in China’s comparative advantage in labor-intensive produce, such as certain vegetables and fruits, and the opportunity for importing land-intensive produce at a cheaper price to the benefit of China’s rural consumers.44 Either way, both positions recognized the need for reforming agricultural production.

Third, China’s rapid urbanization has led able-bodied householders, where possible, to migrate to find work. This has led to the greification of the countryside, whereby those left on the land typically are the elderly or disabled, and “the general quality of farming has deteriorated”.45 The two-fold problem arose of how to attract the most able producers back into farming, and how to ensure land was channeled into their hands once they returned. For all these reasons, China’s policymakers saw an urgent need to restructure arable land organization.

**Land transfers**

Chinese policymakers thus faced a dilemma. On the one hand, many rejected rural land privatization on the grounds that it would lead to large numbers of landless peasants and the development of lawless slums around cities. On the other hand, the agricultural sector organized under collective ownership was urgently in need of reform. This led to an impasse in policymaking circles over the question of land ownership. Various experiments in land

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41Sargeson 2013, 1068.
42Li 2003.
43Wen 1999.
44Lin 2004.
45Ye 2016, 5.
organization and production were explored in an attempt to resolve this problem. First, the much-hated Agricultural Tax was abolished in 2006, marking a major policy shift from taxation to various agricultural subsidies. These, which include direct subsidies to farmers and minimum procurement prices, have played an important role in protecting Chinese agriculture following WTO entry. They can only go so far, however, as they threaten to conflict with China's WTO agreements. Second, informal leasing of agricultural plots between householders became widespread, freeing up some villagers to find off-farm work and enabling remaining households to scale-up cultivatable land. Third, in the latter half of the 1990s, the central government began to promote agricultural industrialization, or the vertical integration (chanyehua) of agriculture. Household farmers were encouraged to work with a variety of larger organizations such as agribusinesses and cooperatives. This linked them with a comprehensive system including transportation, storage, processing, marketing, and distribution. This has enabled small-scale producers to integrate into wider markets, both domestic and international.

On the basis of such experiments, China’s leaders shrewdly sidestepped the thorny issue of rural land privatization. Instead, the key document released at the Third Plenary Session of October 2008 formally approved the practice of land transfer. According to Chen Xiwen, leader of the Central Committee Leading Small Group on Rural Work and one of the key drafters of this resolution, this signified a shift in policy focus from land ownership to land usage, effectively relegating the question of ownership to the back burner. Agricultural land remains collectively owned and contracted (chengbao) to each household, while use-rights (jingyingquan) are transferrable on a contractual basis. The goal is to concentrate land in the hands of the most able producers, and raise the scale of production, thereby facilitating the use of agricultural technology and lowering production costs. This frees surplus rural labor to seek off-farm employment, while village households are still able to gain a minimal income from their land allotment. In this way, the Chinese government seeks to solve the twofold problem of how to create a land market without private ownership, and how to free up rural labor without permanently severing peasants from their land.

This has led to the current policy debates: to whom should the land be transferred? A debate on cooperatives as an alternative to agribusiness has been around for more than a decade, since the passing of the Law on Specialized Farmer-Cooperatives in 2006. In the No. 1 Document of 2013, the central government introduced the concept of “new subjects of production management” (xinxing shengchan jingying zhuti) into state policy discourse, broadening the forms officially promoted to include family farms (jiating nongchang) and other smaller entities, alongside agribusinesses and cooperatives, giving new impetus to the debate. By June 2016, the People's Daily reported that over one third of China's cultivated

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46 On the evolution of China's land transfer policies since the 1980s, see Ye 2015, 324-7.
47 Huang and Yang 2017.
48 Grains, and labor-intensive products in which China has a comparative advantage, have largely withstood international competition. Imports of land-intensive products have increased, however, and China's soybean sector has been hit hard. Yan, Chen and Ku 2016.
49 Wilson 2016.
50 Niu 2002.
51 PRC 2008.
53 In practice, perhaps better described as a “quasi-market” given the complex localized social and political relations in which it is embedded. Zhang 2015, 352.
54 Day 2008; Huang 2011.
land, 460 million mu, had been transferred to over 2.7 million “new subjects.”

Paradoxically, although land transfers are intended to safeguard peasants’ land rights, the same set of problems that have long been associated with privatization appear to be emerging. According to Yan Hairong and Chen Yiyuan, “the collective ownership of farmland has been rendered increasingly hollow.” For Mobo Gao, land transfers constitute an attempt “to privatize land in China surreptitiously, step by step.” Despite the continuation of collective ownership, then, are these new market relations nevertheless bringing about the gradual destruction of peasant livelihoods, and are we witnessing a new form of enclosure movement?

II. Large-Scale Agribusiness

Agribusiness corporations are typically presented by their proponents as the bringers of modernity, progress, technology, and capital to an otherwise outmoded, scattered, parochial, and inefficient system of household agriculture. Sometimes called the “American model” (meiguomosh), advocates of large-scale agribusiness draw attention to their role in promoting development in the advanced capitalist countries, implying that they are part of a world historical trend. Since the late 1990s, the central has bestowed selected Chinese agribusinesses with the title “dragon-head enterprise” (longtouqiye) providing them with state support, such as special financing and tax incentives. Originally, a dragon-head's role was to achieve the vertical integration of farm households by leading – in the form of a traditional Chinese dragon dance – a large number of small-scale farmers into the wider market, and onwards towards industrialization and modernization. In practice, however, the relationship between dragon-heads and villagers varies by degrees, ranging from the contracting out of production, to the direct leasing of land and employment of fully proletarianized agricultural workers on large farms. In 2013, the central government expanded the possibilities for outside capital to enter the countryside, advocating in the Numbero 1 Document the “encouragement and introduction of urban industrial-commercial capital into the countryside, to develop planting and husbandry suited to corporatized operations”, widely interpreted as a sign of encouragement for agribusinesses – whether dragon-head or not – to take over direct management of agricultural land.

While there is more of a consensus in policymaking circles about the contribution corporations can provide in areas such as processing and marketing, the direct leasing and management of agricultural land by agribusinesses is controversial. The sensitivity of this issue prompted a fierce debate between 2010 and 2012 in academic journals, newspapers, and online forums. At that point, rather than taking a public position, the Chinese government set up a number of pilot programs, apparently adopting a wait-and-see stance, and the discussion has since continued largely behind closed doors at the top levels of government.

There are two major points of dispute. The first concerns the degradation of the peasantry as a class, with those opposed to the entry of industrial-commercial capital into the

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56Gao 2016.
57Yan and Chen 2015, 375.
58Gao 2017, 39.
60Feng 2001; Zhang 2000.
62Schneider 2017, 7.
63Zhang and Donaldson 2008.
64Lu and Li 2015.
65Interview with Wang Yahua, School of Public Policy and Management, Tsinghua University, Beijing, June 3, 2015.
countryside warning of a European-style enclosure movement and the reproduction of capitalist class relations in the countryside. They argue that disorganized household farmers with little comparative bargaining power, in the face of government-backed corporate might, will forfeit their rights to autonomous production, be driven from their land, and relegated to the ranks of hired laborers.\textsuperscript{66} The second concerns land usage. While there is limited profit in commercial agricultural production, there is every incentive for urban capital to use China’s scarce rural land for non-agricultural purposes, raising the threat of food insecurity.\textsuperscript{67} Hence, the phrase “agricultural land for agricultural use” (\textit{nongdi nongyong}) is frequently cited in policy discussions, and a number of local officials I interviewed in Chengdu confidently assured me that satellite surveillance imagery would prevent land mis-use.\textsuperscript{68} Nevertheless, the problem is all too real. One prominently reported case, for example, involved real-estate corporations registering as eco-agriculture or tourist agriculture companies to gain access to farmland, on which they built hundreds of luxury villas, with the cooperation of local officials.\textsuperscript{69} The problem then is not so much the regulatory safeguards in place to prevent such abuses, but the levels of corruption by which such regulations can be bypassed. Indeed, both of the above concerns are exacerbated as officials’ track records continue to be evaluated on the basis of how much capital they bring into the countryside. This encourages and facilitates corrupt alliances between rural cadres, agribusiness, and urban capital to the detriment of the peasantry and local agriculture, and begins to resemble an enclosure movement in its classic form.\textsuperscript{70}

\textit{A new enclosure movement?}

Recent English language scholarship has strongly illuminated these issues, with the emergence of a substantial body of literature providing empirical research on the social problems arising as agribusinesses have taken hold. An important intervention came in 2015 with a special issue on China in the \textit{Journal of Agrarian Change}. The editors observed a new form of enclosure movement – instead of the land grabs which ravaged the countryside from the 1990s, the entry of large capital into the countryside in the form of agribusiness, backed by preferential state policies, obviated direct expropriation: “[capital now…can use its market power to eliminate all other alternatives in which rural residents can use their land productively and, thus, leave them with no choice but to part with their land in a fire sale manner.”\textsuperscript{71} In a case study of aquaculture in Guangdong, Yu Huang demonstrated how agribusiness outcompeted shrimp farmers by taking advantage of the high price of off-season farming, gradually taking over the full production process, first processing and marketing, credits and inputs, and finally the land, with the once autonomous farmers bankrupted and fully proletarianized. Thus, she observed, “land [is] transformed from a support for subsistence to an instrument for profit.”\textsuperscript{72}

Other studies have examined alliances between agrarian capital and local officials, with accounts of the coercive (if non-violent) methods used by cadres to compel unwilling villagers to transfer their land to agribusinesses.\textsuperscript{73} Scholars of \textit{hukou} reform identify a tripartite alliance between agrarian capital, local officials, and the urban real estate industry.

\begin{flushleft}
\textsuperscript{66}Chen Xiwen, reported in Gongchan Dangyuan [\textit{Communist Party Member}] 2010; see also He 2013. \\
\textsuperscript{67}Yu 2011. \\
\textsuperscript{68}Interviews conducted between July 16-21, 2015. \\
\textsuperscript{69}Zhang 2013, 40. \\
\textsuperscript{70}Li 2013. \\
\textsuperscript{71}Zhang, Oya and Ye 2015, 307. \\
\textsuperscript{72}Huang 2015, 401. \\
\textsuperscript{73}Luo, Andreas, and Yao 2017; Gong and Zhang 2017. 
\end{flushleft}
This alliance shifts peasants off their land and into cities, simultaneously fueling the housing market and making rural land available for the consolidated production required by agribusinesses.\(^\text{74}\)

These studies provide crucial insights into China's agrarian change. However, the perspective they collectively provide is only partial. While agribusinesses have been taking over the management of increasing areas of land, empirical data is limited, and a recent survey estimated that only 3.5 per cent of arable land has been transferred from small households to agribusinesses.\(^\text{75}\) Moreover, it is unclear how far this trend will proceed. First, while the wide, flat plains of the Northeast are ideal for the levels of scaling-up required by agribusiness, much of China's arable land is in mountainous or uneven areas.\(^\text{76}\) Second is the question of labor productivity. According to leading agricultural economist Huang Jikun, hired laborers used part-time by large-scale agribusinesses often lack motivation. Supervision is not easy with many laborers on large areas of land, and this has impacted the quality of harvests.\(^\text{77}\) Third is the ending of the temporary grain procurement program. Implemented in 2004 to maintain farmers' incomes and domestic grain security, grain procurement prices were up to fifty per cent above market rate. These policies attracted many incoming agribusinesses, but have been phased out in recent years, with the end of corn subsidies announced in March 2016, causing many companies to pull production.\(^\text{78}\) Thus, the future of agribusinesses directly managing land in China is uncertain.\(^\text{79}\)

**Family farms**

Despite its apparent association with the household farm of the household responsibility system, the term “family farm” (jiating nongchang ) is new to China’s high-level policy discourse. It first came to official prominence in 2013 as one of the “new subjects of agricultural production” and represents a significant shift in Chinese policy thinking.\(^\text{80}\) While the term’s usage differs between localities, it refers to a successful farm household that has taken over the management of land from neighboring households and has achieved a size of at least fifty mu. At that point the household can register with the local government to be officially certified as a family farm.\(^\text{81}\) Policy documents emphasize agricultural land use, agriculture as the primary source of income, profit as the primary goal, and family members as the main source of labor. According to official data, as of 2013 China had 877,000 family farms, occupying an estimated 13.4 per cent of cultivated contract land.\(^\text{82}\)

As with the discourse surrounding corporate enterprises, efforts have been made to align the Chinese family farm with world development, in particular with the family farms of

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\(^{74}\)Chuang 2014; Andreas and Zhan 2016; Zhan 2017.


\(^{76}\)Ji *et al.* 2016, 50-1; Gao 2017, 37.

\(^{77}\)Interview with Huang Jikun, China Center for Agricultural Policy, Peking University, May 16, 2017. The question arises as to what extent the shirking of labor on agribusiness farms is an act of resistance by local employees deprived of their own autonomy over production.

\(^{78}\)Stanway 2016.

\(^{79}\)Interview with Zhang Yinghong, Ministry of Agriculture Research Centre for the Rural Economy, Beijing, May 9, 2017.

\(^{80}\)For a history of family or tenant farms in China since the 1980s, see Yan and Chen 2015, 382-6.

\(^{81}\)Qian Forrest Zhang identifies “politically assisted accumulation”, an alternative trajectory whereby farmers are politically connected cadres or entrepreneurs able to leverage their relationships to gain favorable benefits and access to land – often “wasteland” beyond the usual jurisdiction of the household contract system which remains “under greater egalitarian constraints.” Zhang 2015, 348-352.

\(^{82}\)Zhuang 2013. Cf. Ji *et al.* 2016, 52, estimated the area at twenty per cent.
early American capitalism, as well as those of Europe, and Japan.\textsuperscript{83} This denotes an important change from the policy discourses on household production in the 1980s. The latter, following the dismantling of the commune system, emphasized individual household autonomy within a collective ownership system organized on an egalitarian basis, as a new and improved form of socialism.\textsuperscript{84} The family farm of current policy discourse, on the other hand, is associated with agricultural entrepreneurs succeeding due to their superior capabilities. Indeed, \textit{jiaxing nongchang} is a direct translation of the English term “family farm,” the concept deployed by U.S. policymakers as the rural liberal-capitalist (and anti-socialist) ideal during the Cold War, deemed necessary for the modernization of peasant societies.

This deliberate association does not mean that those promoting family farms in China are advocating for U.S.-American developmental forms involving large-scale private land enclosures. Instead, family farms have been explicitly pitched in policy discussions against commercial corporations. Chen Xiwen, for example, advocated family farms over agribusiness on the grounds that the latter tend towards too large a scale, depriving villagers of access to their land and, in many cases, failing to provide local villagers with employment.\textsuperscript{85} Thus, the purposeful association with American family farms is a strategic attempt by policymakers to re-articulate household production as a universal historical aspect of rural modernity and to defang the claims made on behalf of big capital that the household farm is a backward social form. At the same time, this also undermines claims made by those advocating for an “American model” based on industrial-commercial corporations. Family farm advocates instead seek to preserve agricultural capital within the countryside, for the benefit of peasants.

In English language publications, family farms have been associated with agribusinesses on the grounds they are market dependent, embedded in commodity relations, and aim towards expanding production.\textsuperscript{86} On the other hand, two land-related paths are identified by which family farms are vulnerable to displacement by agribusinesses. First, in competition for land access, they are disadvantaged compared to outside capital which is “both bigger and more able to mobilize higher-level political power,” and second, they are disadvantaged due to scale-biased government policies which determine subsidies on the basis of cultivated land area.\textsuperscript{87} However, it is not a foregone conclusion that family farms will continue to seek expansion and therefore behave no differently from corporations. In fact, there is an ongoing policy debate concerning the “appropriate scale” (\textit{shidu guimo}) of farm size and the paradigm of “bigger is better.”\textsuperscript{88} Empirical research by Chinese scholars into the effects of farm size show that farms in other parts of Asia have been declining over time, despite – as in the cases of Japan, South Korea and Taiwan – state policies oriented towards scaling-up.\textsuperscript{89} Surveys of rice, maize, and wheat farms in China over the past decade demonstrate a rise in productivity corresponding to increased farm size up to about 100 \textit{mu}, after which the productivity-to-cost ratio declines. While results depend in part on the type of crop under cultivation, the regional topography, and access to machinery and other services, the trend is clear.\textsuperscript{90} Evidently, farms run by smaller numbers of trusted family members,

\textsuperscript{83}Han 2012; Wang, Shi and Wen 2013; Zhou and Xia 2014. Cf. Yan and Chen 2015, 386.
\textsuperscript{84}Qin 1981.
\textsuperscript{85}Wang, Shi and Wen 2013.
\textsuperscript{86}Zhang 2015, 362.
\textsuperscript{87}Zhang 2015, 353-4; see also Yan and Chen 2015, 378, 388. Central government subsidies are currently awarded to farms exceeding 150 \textit{mu}, or 250 \textit{mu}, varying by province.
\textsuperscript{88}Interview with Huang Jikun, China Center for Agricultural Policy, Peking University, May 16, 2017.
\textsuperscript{89}Ji \textit{et al.} 2016, 42-3.
\textsuperscript{90}Huang 2017.
dedicated full-time to their own land, are more cost-effective. This finding also has social implications. A larger number of smaller family farms will provide full-time employment for a greater number of householders, avoiding problems such as drug-use, petty crime, and gambling, which have been increasing in some villages where employment opportunities are scarce or sporadic. Maintaining householders’ access to land also safeguards its function as a social safety net. Consequently, central government policymakers are currently considering the readjustment of subsidy policies to discourage farmers from expanding their acreage above a certain limit.

**Cooperatives**

The promoting of cooperatives during the reform era took off with the emergence of the New Rural Reconstruction Movement (NRRM), a group of primarily urban scholars and activists who sought to encourage economic cooperation between smallholders. Localized experiments pioneered and coordinated by the movement’s members led to certain models receiving government funding, and the cooperative being adopted as part of the central government’s campaign to “build a new socialist countryside” launched in 2006. According to official figures, registered peasant cooperatives surpassed 1.5 million in 2016, although only a only small fraction involve arable land transfers, and the total area under direct management by cooperatives may be less than one per cent.

The core advantage of the cooperative is that members are remunerated with a portion of overall profits in proportion to their own inputs, providing a better deal economically than they would get from a fully commercialized corporation. The NRRM regards cooperatives as the bedrock of an alternative national path of development that challenges the dominant neoliberal model centered on the private accumulation of capital. For government policymakers and rural cadres, on the other hand, the role of cooperatives is localized and specific – to raise the incomes of poorer peasants, particularly those in geographically disadvantaged regions beyond the reach of urban-rural integration, spurned by both agribusinesses and urban capital. Alternative state strategies that have aimed to solve the problem of such populations by shifting them off the land and into cities are proving problematic.

Formed, at least initially, by the vertical integration of small farms, many cooperatives preserve the household form of production which, according to a number of rural scholars, is more efficient in China – with its high population-to-land area ratio – than large, mechanized farms. On this basis, some proponents of cooperatives assert the existence of different Western and Eastern agricultural forms – the former characterized by largescale farms, the latter by household production. Identifying a distinct East Asian model, they point to the agricultural policies of South Korea and Taiwan, and the “Japanese model” (riben moshi) in particular, as more appropriate for China. Wen Tiejun, perhaps the most well-known member of the movement, has commended the Japanese government for giving preferential treatment to cooperatives while strictly prohibiting private or foreign capital from entering the countryside, thus guaranteeing that a high proportion of the economic gains produced

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91 Yuan 2016, 264.
92 Interview with Huang Jikun, China Center for Agricultural Policy, Peking University, May 16, 2017.
93 For comprehensive English language discussions of this movement, see Day 2008; Yan and Chen 2013.
94 Fang 2016.
95 Ji et al. 2016, 54.
96 Hancock 2017.
97 He 2013.
98 Li 2008; Wang 2010.
remain in the countryside. The invoking of an East Asian model is also strategic. For example, according to one high-level cadre I interviewed in July 2015, villagers frequently express reluctance to joining cooperatives, associating them with Maoist communes. They opt instead to transfer their land to agribusinesses, which they view as modern, despite the prospect of lower income. The promotion of an East Asian model serves to reframe the cooperative as a culturally distinct but equally modern alternative. From the numerous mentions of Taiwan and Japan by cooperative members I interviewed in May 2017, it appears that, at least in some areas, the idea of the East Asian model as a viable developmental form has taken hold at the grassroots.

Recent accounts of cooperatives in English language scholarship are pessimistic. For example, once embedded within unequal market relations, the labor of cooperative members often becomes subsumed to more powerful capitalist entities “leading to small producers' further marginalization and vulnerability.” Furthermore, a survey of fifty “cooperatives” by Hu, Zhang and Donaldson found that only two were genuine and still functioning. Of the rest, fifteen were shells set up to take advantage of state subsidies; twenty-nine were de facto agribusinesses, maintaining only a commercial relationship with members; and the others had been fully commercialized or gone bankrupt. Yet, the cumulative effect of scholarship which focuses on cooperatives as fake, destined to fail, or a means towards further degradation of peasant livelihoods, is to undermine the widespread cooperative experiment and the efforts of scholars and policymakers advocating for some form of cooperative organization as a possibility going forward. Indeed, the question of what counts as genuine is problematic itself. As cooperative activist Liu Laoshi observed, a cooperative of small farms organized by an experienced large household which offers planting advice and knowhow, purchases produce above market rates, but does not distribute post-sale dividends, would be considered fake under China's Cooperative Law, although the distinction may simply be one of book-keeping. Looking beyond this question, we should shift our focus to the site-specific experiments continuing to emerge, to explore future possibilities and examine the practical challenges that arise from an organizational form that must perpetually navigate between its social imperative and the capitalist relations within which it is embedded. That is, to ask prescriptive, as opposed to descriptive, questions.

Indeed, it seems the central government may be injecting renewed vigor into the cooperative experiment, as evidenced by the recent case of Tangyue village. A remote village in Zhejiang Province, Tangyue has a population of 3300. Of these, 1400 are able-bodied laborers of which, at peak times, 1100 would leave to find off-farm employment, leaving thirty per cent of the agricultural land uncultivated. Average annual income per person was 4000 RMB, and several households were in poverty. Tangyue experienced severe flooding following storms in 2014. At the direction of the municipal Party Secretary, the village Party branch dispensed with the Household Responsibility System and reorganized the village on a cooperative basis. Within two years, many of the migrated villagers had returned, income per

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100 Anonymous interview, Chengdu, July 19, 2015.
102 Yan and Chen 2015, 379; see also Huang 2015.
103 Hu, Zhang and Donaldson 2017.
104 Liu 2010, 54.
106 I am grateful to Lin Chun for this point.
villager had doubled, and no household remained in poverty. The case gained the public approval of Politburo Standing Committee member Yu Zhengsheng. Tangyue's story was recounted in “The Tangyue Road” (Tangyue Daolu), a book published by the state press agency Renmin Chubanshe, and launched with a high profile symposium at the National People's Congress in December 2016. This case has been widely studied and debated by scholars and policymakers since then, apparently signifying a renewed focus within at least certain government circles on the potential role of cooperatives in China's development. Indeed, the timing of this state-backed publicity drive, coinciding with the anticipated decline of agribusiness in the Northeast corn belt, may be no coincidence.

Conclusion

I have examined the current debates in China on agricultural land and production organization, focusing on discussions on agribusinesses, family farms, and cooperatives. In doing so, I engage with an emerging perspective in English language publications on the question of China's agrarian change. This collectively portrays transformations in China's countryside in terms of multiple processes of depeasantization, driven by the entry of big capital into the countryside, mostly agribusinesses but also urban capital connected to real estate, supported in various ways by pro-capital, scale-biased central government policies, and the activities of local officials. This picture is compelling as it corresponds to Eurocentric assumptions about the disappearance of the peasantry with the development of capitalism.

However, China's state policies are not governed by a single, coherent logic, and we should avoid drawing broader conclusions by extrapolating from a long-trusted paradigm. I argue that this important body of work describes only part of the changes happening in China's countryside. The claim that the overarching goal of the state is depeasantization in the interests of promoting largescale farming, and agribusiness in particular, misses the continually contested nature of these questions in domestic policy circles obscures the ongoing and genuine efforts among central and local officials, as well as politically engaged scholars, to promote forms of agricultural production conducive to the maintenance of rural producers' livelihoods. By examining these debates on “who will till the land” I highlight the opposite perspective, asking how policymakers attempt to raise agricultural productivity while maintaining the livelihoods of a vast peasant population with a long future ahead of it. For the insights these debates provide into the thinking of policymakers, they warrant scholars' attention.

Indeed, to study China's agrarian change is to examine a fast moving target, and the urge to search for a recognizable “grand narrative” is best resisted. Some policymakers envisage China's rural future as a mixed picture of family farms, variably sized depending on regional terrain and local demographics, cooperatives in highly populated, poorer areas, and large-scale agribusinesses concentrated in the Northeast plains. The ongoing role of dragonheads in connecting family farms and cooperatives to larger markets appears little disputed, though the extent to which this will cause a degrading effect on producers' livelihoods remains a question for investigation. As Yu Huang reminded us in her study of the proletarianization of local aquaculture farmers, “we should refrain from a framework of linear determinism that dismisses the contradictions and resistance involved in the
The new space which will undoubtedly open up for grassroots resistance, sometimes appearing in unexpected places, is one area to watch. Contestations of political thought and ideas, linked to varying economic interests and political concerns, fought within policy circles and shaped by changing circumstances on the ground, is another.

Acknowledgments


About the Author

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