

Status of Land Transfer in China

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Abstract

This article uses Chinese farm household survey data and macro-province panel data to analyze the current situation of land transfer in China. Research data shows that from the perspective of farmers' land transfer behavior, 59% of farmers have land transfer behavior, and land rent is still an important reason for farmers to transfer land. Judging from the situation of land circulation across the country, the rate of land circulation is 37%, and the rate of increase in land circulation area is still relatively large. The proportion of land flowing into cooperatives continues to increase, while the proportion of land flowing into farmers continues to decline.

Keywords

Land Transfer, Farmers, China.

1. Introduction

The first central document allowed land transfer in 1984, in order to affirm, regulate and promote land transfer, the government has issued a large number of related documents and regulations. Since the beginning of land circulation, land circulation has developed tremendously. Summarizing the current situation of land circulation is of great significance for understanding the situation of land circulation in China and promoting the healthy development of land circulation. This article summarizes the status of land transfer from two aspects: policy development and practice.

2. Policy Development of Land Transfer in China

During the agricultural cooperative period, the agricultural sector preferred to develop large-scale farms. With the collapse of the people's commune system and the implementation of land contracting to households, agricultural land has been scattered among rural families. However, China has a large population and too little land area per capita, which is not conducive to agricultural development. Therefore, from the time the land was contracted to the household, the government allowed the land transfer to acquiesce. In 1984, the Central Document No. 1 first proposed to encourage the gradual concentration of land to farming experts. Since then, with the transfer of agricultural population to non-agricultural industries, the central policy further supports the concentration of cultivated land to farming experts, and develops professional farmers with moderate scale. circulation. In 2001, policy documents such as "Regulations on the Circulation of Land Contractual Management Rights" were issued for the first time, clearly stating that farmers are the main body of land circulation, and land circulation should be based on farmers' voluntary[1].

In 2007, the "Property Law" determined the land contractual management right as the usufructuary right, and it was clarified that the contracting households had the right to possess, use, circulate, and profit the contracted land according to law. Beginning this period, the country's land circulation began to accelerate. In 2014, in order to further standardize the transfer of land management rights, to adapt to the rapid development of land transfer, reduce the social problems caused by land transfer, and promote the development of

agricultural management, the State Council Office issued the "About Guiding the Orderly Transfer of Land Management Rights to Develop Agriculture The "Operations on Moderate Scale Operations" document provides guidance on strictly regulating land transfer behavior, strengthening land management services and land transfer use control.

In 2016, the government formally made a systematic and comprehensive institutional arrangement for the separation of the "three powers" to eliminate the system obstacles to further release the land contractual management right and to play the mortgage financing function of the land contractual operation right [2]. In 2017, the report of the 19th National Congress of the Communist Party of China proposed a strategy for rural revitalization, and proposed that rural management should promote the joint development of small-scale farmers and moderate-scale operations.

3. Land Transfer Practice

The assessment and summary of the current situation of land transfer is to improve the efficiency of land transfer and promote the development of the land transfer market. Existing scholars have summarized the land transfer practice in different periods [3]. The content of this part will analyze the current situation of agricultural land circulation in China from the perspective of micro and macro data. Among them, 107 samples are used in micro data, mainly in Sichuan Province, and the macro data are from 2002 to 2017 and 31 in China. Analyze the data of land transfer in provinces and cities.

3.1. Farmer's Land Circulation

The situation of farm households is an important factor influencing farm households' land transfer behavior. Table 1 lists the basic information about farm household heads, the number of farm household labor, and the willingness to operate agriculture in the future. Judging from the situation of the head of household, the youngest is 26 years old, the oldest is 89 years old, the average is less than 49 years old, and the age is relatively high. Whether the head of the household has received agricultural training, the average value is 0.38, indicating that many farmers have not received agricultural technical training. The smallest land management area of farm households is only 0.5 mu, the largest is 477 mu, and the median is 7 mu.

Table 1. Basic information of peasant households

variable	N	Mean	Sd	P50	min	max
Age of head of household	107	48.97	10.74	48.00	26.00	89.00
Gender of head of household	107	0.94	0.23	1.00	0.00	1.00
Education level of head of household	107	1.87	0.81	2.00	1.00	4.00
Whether the land has a title certificate	98	1.00	0.00	1.00	1.00	1.00
Number of family farm labor force (person)	107	2.21	0.92	2.00	1.00	4.00
Whether the head of the household has received agricultural training	107	0.38	0.49	0.00	0.00	1.00
Farmland management area (mu)	107	24.89	61.91	7.00	0.50	477.00
Willingness to engage in agricultural management	107	1.87	0.97	1.00	0.00	3.00

According to the transfer-in and transfer-out behavior of land, the transfer of land can be divided into four types: untransferred land, rent in land only, rent out land only, and rental in and out land. The number of different transfer types is shown in Table 2. Among them, 58.88% of the households had land transfers, of which the number of farmers who rent in land was

the largest, reaching 36, and the number of farmers who transferred into land was 26. The number of farmers who rented in and out land was

Table 2. Land transaction of farmers

Types of land transfer	N(Household)	Percent
untransferred land	44	41.12
Rent in land only	36	33.64
Rent out land only	26	24.30
Rental in and out land	1	0.93
total	107	100

the smallest, with only one. It can be seen that there are not many farmers who adjust the land through land circulation. 41.12% of rural households did not have land transfers.

Further from the details of the area, time and price of land transfer of farmers (Table 3), the average area of rent in is 78.9 mu, which can form a certain management scale, but there are also very small areas with a transferred area of 0.5 mu, etc. In general, the area of rent out is generally small, with an average of 5.7 mu. In terms of rent in, the average is 6 years, the median is 5 years, which is higher than the rent out term, and the rate of land transfer contract is high, and there is a certain stability in land transfer. In terms of circulation prices, there are cases of free circulation. From the perspective of different types of circulation, the overall households are satisfied with the circulation price (Table 4).

Table 3. Details of farmers' land transfer

Land transfer details	N	Mean	sd	p50	min	max
Area of rented in land (mu)	27	78.91	112.43	30	0.5	450
Years of rented in land (years)	27	6.17	5.62	5	1	20
price of rented in land (yuan)	27	639.63	1134.6	500	0	6000
Area of rented out land (mu)	37	5.74	6.75	2.5	1	34
Years of rented out land (years)	36	7.83	7.61	4.5	1	30
price of rented out land (yuan)	37	440.27	402.87	400	0	1600

Table 4. Satisfaction of farmers' transfer price

Types of land transfer	Very dissatisfied	Less satisfied	Generally satisfied	Quite satisfied	Very satisfied
Rent in land only	1	7	36	17	4
Rent out land only	1	4	16	5	1
Rental in and out land	0	0	0	2	1
total	2	11	52	24	6

In order to analyze the motives of farmers for land transfer, the reasons for the transfer of land into and out of the land were counted. The data showed that most of the farmers who rent in land believed that the cost of land was low and the land was cost-effective, accounting for 31.37%; because the government had Subsidies and land transfer accounted for 13.7%, showing that government subsidies have an important impact on land transfer. Among the farmers who rent out of the land, 35% of them believed that the income from farming was low and they transferred out of the land. This shows that the income from land is still an important reason for farmers to transfer land.

3.2. Land Transfer at the Macro Level

The macro land transfer situation can be divided into the overall state of the country and the situation of provinces and cities. The data period is from 2002 to 2017. The data of land transfer in 2006 is missing, but this has no effect on the overall trend of land transfer. Regarding the area of land circulation, from 2002 to 2018, the area of land circulation in the country continued to increase, and a trend map of the overall land circulation area was drawn. Looking at Figure 1, from 2002 to 2007, the increase rate of land circulation area nationwide was very slow, and the circulation area remained below the level of 10,000 mu. From 2007 to 2015, the area of land circulation increased rapidly. After 2015, the rate of increase in land circulation area has slowed down, but the area increased is still relatively large. From the perspective of each province, the land circulation area of all provinces shows an increasing trend, which is the same as the change trend of the whole country.

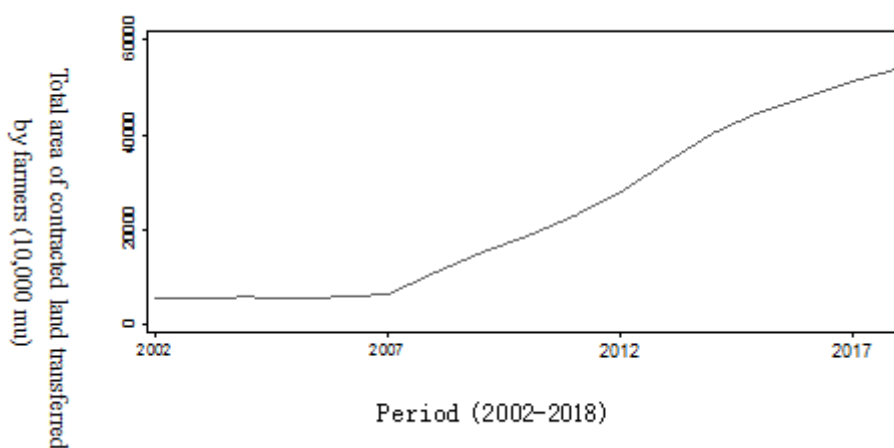


Figure 1. The trend of land circulation in China

Regarding the ratio of area transferred by different methods, the official land transfer methods of the agricultural sector include six types of subcontracting, sell right of use, swap, lease, share cooperation (shareholding) and other ways. Among the land transfer methods, sub-contracting and leasing are the most important ones, which are the main land transfer ways. The characteristics of subcontracting and leasing are similar. In 2017, the agricultural department included the subcontracting and circulation ways into the leasing way.

The proportion of land leases in various regions is basically increasing, and other transfer ways such as transfers and exchanges account for a relatively low proportion. Overall, the change trend is not obvious. Some provinces have outstanding characteristics, such as the sell right of use way in Beijing, which accounted for a relatively high proportion in the early days, exceeding 50%, and then experienced a rapid decline. The right of use way in Shanxi has been at a relatively high level, always exceeding 40%. Among the transfer ways in Guangdong, the shareholding way accounts for a relatively high proportion, which is basically above 20%, indicating that the farmers can still share the benefits generated by the land after the transfer of land, but the trend is declining, while the proportion of renting and subcontracting is rising trend.

In terms of the main body of land inflow, there are three main types of official statistics: farmers, farmers' professional cooperatives and enterprises. It can be seen from the trend graph of the change in the proportion of different inflowing entities in various provinces (Figure 2), among the main influxes of land, farmers have been the type with the highest proportion for a long time, but the overall trend of their proportion is declining, especially in

2015 In 2016 and 2016, the inflow of land into the rural households turned into a cliff-like decline, at a very low level, and the overall proportion was less than 10%. The trend of land flowing into cooperatives in most provinces is opposite to that of farmers. The area of land flowing into cooperatives grew slowly in 2016. After 2016, the area flowing into cooperatives increased rapidly, accounting for more than 50% of the total, and the national trend is the same. This may be related to the policy orientation of the central government to promote the simultaneous development of agricultural socialization services and moderate scale operations.

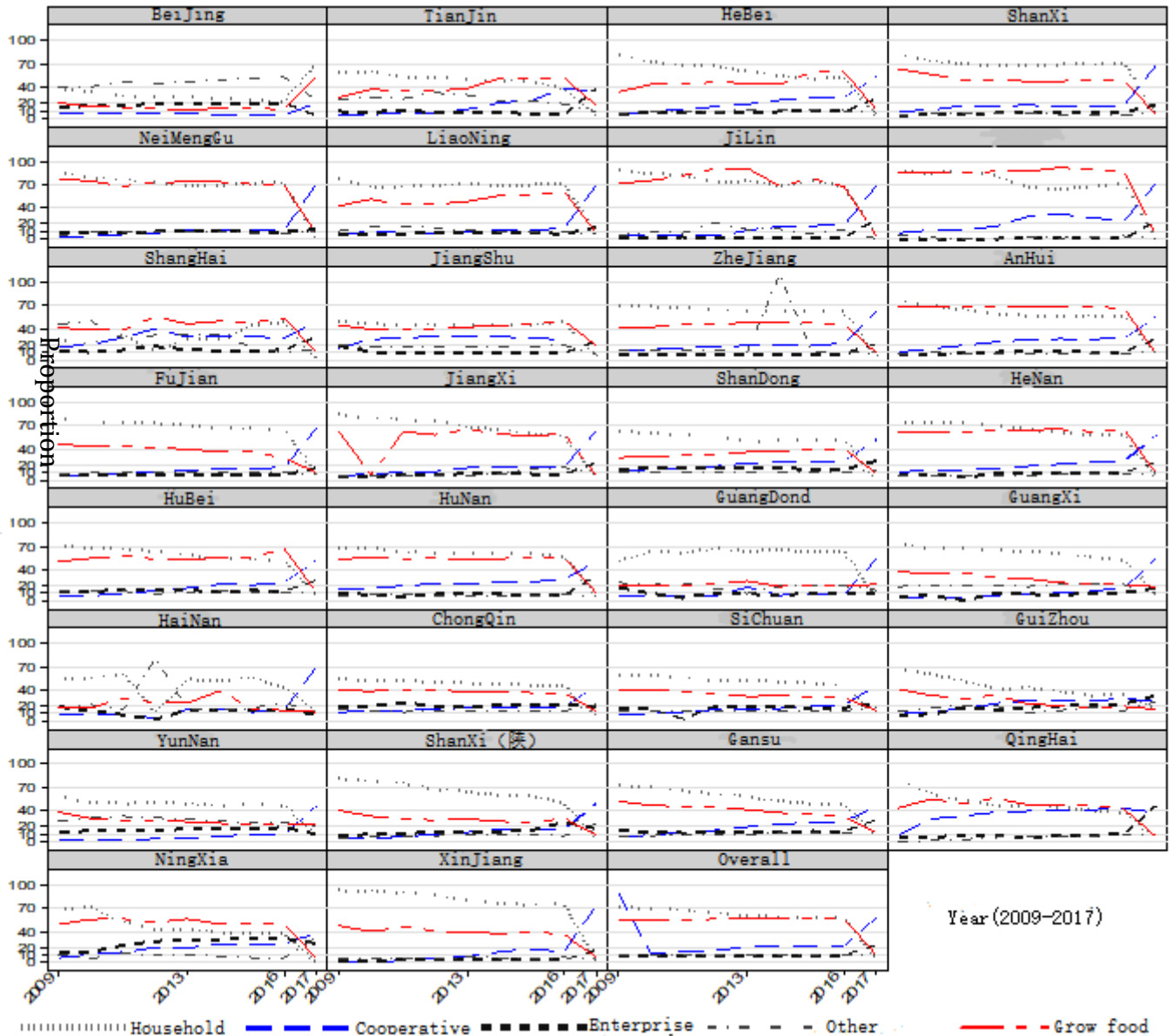


Figure 2. Proportion and Change Trend of Different Land Inflow Subjects by Province

The proportion of land flowing into enterprises has been relatively low for a long time, and the proportion is relatively stable. The proportion of land flowing into other entities is also at a low level, and the trend is stable. With regard to the transfer of land for planting food, the trend was relatively stable before 2016, and it accounted for a relatively high proportion. After 2016, the share of transferred land for planting of food also declined very seriously, with an overall share of less than 20%. It can be seen that since 2016, the problem of land transfer and non-grainization has been serious. This may be due to the decrease in the area of land

flowing into farmers and the increase in the area flowing into cooperatives, resulting in a reduction in the proportion of land for grain production.

4. Conclusion

This article summarizes the development of China's land circulation from micro data and macro data. Research data shows that from the perspective of farmers' land transfer behavior, 59% of farmers have land transfer behavior, and land rent is still an important reason for farmers to transfer land. Judging from the situation of land circulation across the country, the rate of land circulation is 37%, and the rate of increase in land circulation area is still relatively large. The proportion of land flowing into cooperatives continues to increase, while the proportion of land flowing into farmers continues to decline. China is still in a period of rapid urbanization. Therefore, with the continuous transfer of agricultural population, the number of land transfers will continue to increase. In the process of continuous development of land circulation, the government should pay attention to solving the problems of an aging agricultural population and a reduction in the proportion of grain cultivation.

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