

# **An Analysis of the Purpose, Significance and Impact of Rural Land Transfer Policies in China**

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## **Abstract**

The land transfer policy is a new mode of land management and utilization that has emerged in recent years in tandem with China's social development. Exploring what the government's purpose is in allowing land transfer is certainly not just to rationalize land use. It is also part of the mode of agricultural exploration in the context of the transformation of China's socio-economic development model. This study aims to clarify the purpose, significance and impact of land transfer policy on Chinese society. By reviewing a large number of research literature and government reports, combining the author's own experience of working in the countryside, communicating with farmers around him, etc., we find out the problems and successes of rural land transfer, and summarize that, in the context of China's rapid social development and transformation, land transfer provides an alternative safeguard for social uncertainty and development.

## **Keywords**

Rural land circulation, land policy, transfer purpose, Significance and Impact of the Policy.

## **1. Introduction**

Land is the most basic means of production for agricultural development and the most basic guarantee for farmers' life. But now many rural people are going to the city, so that many people have given up the great work of farming, so the land is idle and not use for any productive purpose.

Since the reform and opening up, the frequency of rural land circulation in China has gradually increased. Rural land circulation has become a very common problem and a topic of concern to farmers. China's social system clearly stipulates that the land is owned by the state. Due to China's unique urban and rural dual structure model, the form of land transfer in China is mainly the bidding and auction held by government agencies in cities, and the land that can be transferred in rural areas is mainly residential land. Now it is also acquiescing that agricultural land can be transferred in some way without changing its use. This article will be introduced later.

## **2. Discussion on the key content**

### **2.1. What is rural land transfer ?**

Rural land transfer refers to the transfer of management rights to other farmers or other economic organizations through legal forms of land contracted by rural households. Rural land circulation is the product of rural economic development to a certain stage. Through land circulation, large-scale, intensive and modern agricultural management mode can be carried out. Rural land transfer actually refers to the transfer of land use rights. The meaning of land

use rights transfer refers to the transfer of land management rights ( use rights ) to other farmers or economic organizations by farmers with land contractual management rights, that is, retaining contracting rights and transferring use rights.

## **2.2. What are the forms of rural land circulation ?**

At present, the main types of rural land transfer are land swap, lease, subcontract, equity, transfer and so on.

First, Subcontracting is the lease of land contractual management right between farmers within the collective economic organization of farmers. Second, Leasing is that farmers lease the land contractual management right to people outside the collective economic organization. Third, Investment is a form of circulation with a cooperative nature, on the basis of voluntary union, farmers organize the right to land contractual management in the form of shares, engage in agricultural production, and share dividends. Fourth, Exchange is that farmers exchange their land contractual management rights to other people within the collective economic organization for the convenience of farming or other considerations. They exercise their land contractual management rights from other people within the collective economic organization. The contractor cannot exchange land contractual management rights with other collective economic organizations. Fifth, transfer refers to the transfer of the right to the contracted management of land to the owner of the unexpired land management rights, after the employer's permission, in a certain way and conditions to transfer to others, and with the employer to change the original land contract.

## **2.3. Different periods of land circulation**

Blank period : from the socialist transformation to the early stage of reform and opening up, land transfer was not allowed at the institutional level during this period. The Constitution clearly stipulates : ' No organization or individual may occupy, sell, lease or otherwise illegally transfer land '.

Preliminary stage : In 1988, the first meeting of the seventh National People's Congress amended the constitution, stipulating that ' no organization or individual may encroach on, trade or illegally transfer land in other forms. The right to use land can be transferred in accordance with the law. This has established the constitutional status of the legal transfer of land use rights, and land transfer has never become possible. The rural land transfer system has experienced a historical turning point from a total ban to transferable according to law. Development period : from 1988 to the beginning of the 21 st century, the state issued a series of policies to ' allow the land use right to transfer the land contractual management right according to the principle of law, voluntariness and compensation, and to develop scale management moderately '.

In-depth period : the beginning of the 21 st century-2013 : for ten consecutive years, the first document with the theme of " agriculture, rural areas and farmers " was issued, emphasizing the importance of " agriculture, rural areas and farmers " to socialist modernization. In 2003, the implementation of the " Land Contract Law " stipulated important issues in land contracting in the form of law. In 2005, China's Ministry of Agriculture promulgated the " Measures for the Administration of the Transfer of Rural Land Contractual Management Right " to make land transfer more standardized and orderly.

Comprehensive development period : From 2014 to the present, the implementation of the policy of " separation of three rights " has further clarified the property rights of agricultural land and realized the mortgage of land management rights for farmers to obtain production capital.

## 2.4. The problems of the rural land circulation

First, the interests of farmers can not be contrary to the wishes of farmers forced circulation, circulation conditions, methods, prices should be determined by the farmers themselves ; second, the vested interests of farmers after land transfer are not lower than or higher than before land transfer, otherwise the transfer will be difficult to implement. The problem of transfer period The time of signing the contract for the transfer of land contractual management rights of farmers should not be too long. After the expiration, it will be renewed according to the actual situation. 3. The use of the transfer of land must strictly abide by the relevant provisions of the " rural land contract law " and " rural land contract management transfer management approach, " not to adjust the industrial structure, the development of rural economy and other reasons unauthorized to change the original agricultural land use. 4. The signing of circulation contract The circulation contract must use the contract text formulated by the government. When signing the contract, it shall be signed by the contractor or his agent entrusted in writing ; the transfer contract should indicate the boundary, seat, area, quality grade and use of the transferred land.

## 2.5. What is the land transfer ' turn ' ?

Rural land transfer refers to the transfer of rural land contractual management rights. It refers to the economic phenomenon that the contractor transfers the right to use the contracted land to other organizations and individuals engaged in agricultural production and operation by means of transfer, subcontracting and swapping during the rural land contract period. Simply speaking, it is the rent or lease of land.

## 2.6. What benefits can farmers get from it ?

Land transfer is the basic work of building modern agriculture. Only by transferring some farmers ' land to another part of farmers, can agriculture form intensive management. To a certain extent, there is no modern agriculture without land transfer. There are four main benefits of rural land transfer : First, increasing farmers ' income Farmers ' land can be turned into capital. Farmers who are unable to cultivate or leave rural areas to work and do business in cities can obtain compensation through the transfer of land and directly increase their income. Second, improve the land utilization rate to solve the problem of land abandonment, integrate idle land resources, realize large-scale and intensive land management, and improve the utilization rate of land resources. Third, the transfer of rural surplus labor force is conducive to the separation of some rural labor force from the land, engaged in other industries, to solve the rural idle labor employment and promote urbanization into the city. Fourthly, it promotes the process of agricultural industrialization to attract more capital from multiple subjects into the countryside, rationally arranges the industry according to the market demand, improves the rural infrastructure and creates conditions for agricultural industrialization.

## 2.7. The purpose of land transfer policy

The biggest effect of land transfer is to solve the problem of small land scale in the original contract. The establishment of the rural land transfer mechanism has realized the transfer and concentration of land to large-scale farming households, breaking the traditional small-scale peasant economy pattern of decentralized operation of one household, enabling land to be contiguous and intensive, and promoting the construction of agricultural product bases and demonstration areas. On this basis, various types of agricultural industrialization leading enterprises are spawned and cultivated. According to the market orientation, through a variety of operation modes such as ' market + enterprise + base + farmer ', the agricultural production, processing and sales links are connected to effectively extend the agricultural industry chain, thus improving the production and operation mode and making agriculture embark on the road of industrialization of large-scale operation, specialized production, regional layout and

enterprise management. In China 's rural areas, less per capita arable land, low commodity rate of agricultural products, structural adjustment difficulties, high agricultural production costs are important reasons for restricting agricultural efficiency and increasing farmers ' income. Therefore, the fundamental way out for agriculture is to accelerate the strategic adjustment of agricultural and rural economic structure. After the ' transfer ' of land use right, on the contiguous land, the operators take the market as the guidance, through the adjustment of industrial structure and product structure, form a certain quantity and quality of the same or similar industries and varieties of industrial base, the scattered agricultural production effectively organize, promote the specialization of regional characteristic advantage industry, so as to reduce the production and management risk, improve the competitiveness of agriculture and comprehensive economic benefits, to ensure the continuous increase of farmers ' income. Land as one of the production factors of market economy, only reasonable flow.

## **2.8. Discuss the impact of policies with empirical dates, research examples**

The promotion of various policies has led to a rapid increase in the area of rural land transfer. According to the "2005-2020 National and Regional Land Transfer Data" compiled by the "Boutique Data Pavilion" APP, as of the end of 2020, the national area of land transfer was 532,189,184 acres, the area of transfer was 1,358,973,731 acres, and the area of exchange was 187,880,029 acres, which is nearly one times more than that of 2005. and 187,880,029 mu of swap area, which is nearly one times more than that of 2005. According to the statistics of the website of Land Help, only in the second quarter of 2020, the total number of land transfer/purchase information examined and inspected by the website on the spot was 445, involving an area of 596,873.27 mu, or about 39,800 hectares. Among them, the demand for land transfer out is about 541,000 mu, and the demand for land purchase is about 56,000 mu, and the demand for land purchase has a more obvious increase compared with the previous quarter. At the same time, the cost of land transfer has also diverged to different degrees, with first-tier cities, such as Beijing, Shanghai, Guangzhou and the suburbs of Shenzhen, seeing the cost of transferring land exceeding RMB 2,000 per mu, while RMB 1,000 or even a few hundred yuan per mu abound in the three eastern provinces, Shandong, Hebei and other provinces. In the vicinity of the author's city, the transfer price of high-quality paddy fields with complete water and electricity facilities is about RMB 800 per mu, while the transfer price of mountainous and forested land is only RMB 100 to 200 yuan or even tens of yuan per mu.

The author's township, farmers are mainly planted grain-based, mountainous areas mainly planted walnuts, ten years ago, walnut prices began to rise, many farmers contracted and flow a lot of mountainous land, forested land planted walnuts, the highest price around 2010, each acre of walnut orchards can bring about 3,000 yuan of income, around the average increase in the average income of 30,000 to 50,000 yuan of income per year farmers, at the same time, brought about by the flow of mountainous land and forested land The rent from dozens of dollars quickly increased to hundreds of dollars, the increase in costs, and did not bring a sustained increase in income, after 2015, with the substantial increase in walnut production, but the price has fallen sharply, from more than 20 yuan per city catty down to 2-3 yuan, many farmers contracted to walnut land, losses, while increasing there are also disputes and contradictions between the farmers in the transfer of land.

## **3. Literature References**

### **3.1. Literature reference method**

Based on the research literature on rural land circulation in China since 2015 in CNKI database, the researchers mainly focus on four aspects : the role of land circulation, the performance

behavior and influencing factors of farmers' tendency in the process of circulation, the mode of land circulation and the problem of land circulation. More than 600 articles and research results have been published, and more than 400 graduate thesis have been published. The heat of land circulation research in China is very high.

The problem of rural land circulation has always been a major issue in China's economic and social development, and it is a key issue for the stable and efficient sustainable development of the "three rural" economy. The Party Central Committee and the State Council also attach great importance to the issue of land transfer and utilization. Since 2004, the Central No.1 Document has been issued for 14 consecutive years, and a series of new policies for strengthening, benefiting and enriching farmers have been introduced, which fully reflects the great importance attached by the Chinese government to land issues. However, with the improvement of China's urbanization level, the phenomenon of rural farmland abandonment and unmanned farming has begun to appear, which is not only a challenge to China's food security, but also not conducive to the construction of China's rural modernization. Based on this, many scholars have begun to study the issue of rural land transfer. Since 2020, there have been more than 200 articles on land transfer published on CNKI, focusing on the legal protection of land transfer, benefit distribution and protection of farmers' rights and interests.

#### 4. Conclusion

Improve the rural land contracting policy, guide and standardize the construction land into the market, improve the homestead management, and accelerate the reform of the land expropriation system. Stabilize the rural land contracting relationship and maintain it for a long time. Under the premise of adhering to and improving the most stringent farmland protection system, farmers are given the right to possess, use, benefit, transfer, mortgage and guarantee the contracted management right. On the basis of implementing the collective ownership of rural land, stabilize the contracting right of farmers, activate the land management right, and allow the management right of contracted land to mortgage and finance from financial institutions. Agricultural rich people expect that land transfer is conducive to more efficient and economical use of land resources. Land transfer will promote the transformation of traditional small-scale peasant economy to large-scale, intensive and mechanized modern agriculture. In this process, the scale of planting industry, breeding industry and its upstream seed industry and feed industry has been greatly improved, and the market scale of the whole industry and the market share of large enterprises have a large room for improvement.

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