The Incidence of Popular Complaints of Farmers on Land Compensation: A Case Study of Two Villages in Dalian, Liaoning Province, China

by

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B.S. Urban and Regional Planning
Peking University, 2004

Submitted to the Department of Urban Studies and Planning in Partial Fulfillment of the Requirements for the Degree of

Master in City Planning

at the Massachusetts Institute of Technology

September 2006

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ABSTRACT

The thesis analyzed the reason for the incidence of lodging popular complaints triggered by a land requisition in two villages in Dalian, Liaoning Province, China. The thesis only took the popular protests on land compensation as a background. The main topic was how charismatic leaders mitigated the dissatisfaction toward land compensation. A field research was performed during which intensive interviews were conducted with the villagers and village leaders concerned in the case. The possible factors of causing the different results of popular complaints were discussed.

The factor of village leadership was studies in detail. The thesis explained the relationship between village leadership and the happening of complaints. By analyzing the results of interviews, four aspects of village leadership were specified: leadership and economic rewards, leadership and communication, leadership and social norms, and leadership and historic trajectory. The thesis showed that the case in the background of current China could only partially be predicted by the existing theories in western world. Further research need to be conducted specifically against the background of China.

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Land Disputes in China

The media around the world are reporting numerous cases of protests caused by land disputes in rural China. The protests happen in almost every province in China. I have been able to collect at least 83 cases of protests reported by newspapers in Chinese and/or English, which happened in the last decade in 21 provinces (out of 31) in China. These don’t count the numerous land protests happening all over the country frequently not covered by the censored media. These protests primarily happen over land requisitions, when the land is taken by the governments or developers from the farmers with little or no compensation, or, more precisely, with less compensation than what the farmers expect.

It is not surprising that protests occur, given the fact that land requisitions are happening so frequently and so broadly since land values increase rapidly in suburban areas and compensation is usually low. What is surprising is that the protests do not happen more frequently. In the past decade, about 0.1 billion mu\(^1\) of farmland has been requisitioned. The farmland per capita in China is about 2 mu (Shen 2005). So roughly calculated, about 50 million farmers have lost their farmland in the past decade, so the compensation rates for requisitioned land range from 8,000 yuan per mu to 12,000 yuan per mu generally (Ke 2005). The per capita income in rural areas in China was 3,582.42 yuan in 2003 (China 2005), but

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\(^1\) 1 mu is approximately 0.165 acres.
the incomes of farmers in suburban areas where land requisitions happen most frequently are much higher than the average. Because land is the only secure source of welfare on which Chinese farmers can rely, farmers would expect much higher compensation rates than the current ones. Although some farmers are far from satisfied with the compensation rates, most of them remain silent. In my thesis, I plan to determine under what circumstances protests do not happen when farmers are not satisfied with the compensation of land requisition.

Social movement scholars, such as (McAdam, McCarthy et al. 1996) and (Benford and Snow 2000) have developed theories on the conditions that can lead to social movements. Scholars on contemporary China contentions have also investigated the triggers of popular resistance in China (Li and O'Brien 1996; O'Brien 1996; Zweig 2000; Guo 2001; Hurst and O'Brien 2002; Perry and Selden 2003). However, these scholars focus on the protests that already happened. Few have researched on conditions under which protests do not happen. Moreover, social movement theory and other theories on popular resistance have grown primarily in democratic and liberal states, such as the United States and European countries. Few theories are developed about authoritarian states such as China. In my thesis, I will identify in the political context of China, the factors that formed a condition in which a protest does not happen, by comparing two cases in two adjacent villages, A Village and B Village in the suburb of Dalian City, Liaoning Province, China, where the same project requisitioned land from both villages. A protest happened in A Village while one did not happen in B Village.
The Two Village

The two villages that I am going to study, A Village and B Village are in suburban Dalian, Liaoning Province, China. These adjacent villages share many common characteristics but when a developer, in the assistance of township government, requisitioned land for a residential building project, a protest happened in A Village while B Village remained silent.

The two villages are similar in many aspects. The major agricultural products in the two villages are vegetables and fruits. According to the official figures, the incomes per capita are at the same levels (Table 1). Because of the geographical closeness of A Village and B Village, they share the same dialect and culture. They are both under the administration of Yingchengzi Township government, thus share the same administrative structures at the village level. The structures of land management in the two villages are similar. Collective land is managed by the villagers’ committees; land requisition must first be approved by the villagers’ committees.

Table 1 Basic Characteristics of A Village and B Village

<table>
<thead>
<tr>
<th>Village</th>
<th>Income per capita (Yuan)</th>
<th>Population</th>
<th>Number of households</th>
<th>Area of land requisitioned</th>
<th>Compensation price (Yuan per mu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>About 6,000</td>
<td>About 3,000</td>
<td>960</td>
<td>260</td>
<td>About 13,000</td>
</tr>
<tr>
<td>B</td>
<td>About 6,000</td>
<td>About 1,500</td>
<td>546</td>
<td>500</td>
<td>About 11,900</td>
</tr>
</tbody>
</table>

I got the official household income figures from the interviews with the village leaders in the two villages.
In 2002, a real estate developer, Z Group, launched a large project of residential housing development project in the two villages. The project requisitioned 260 mu of farmland in A Village and 500 mu in B Village. The average compensation per mu of land is a little higher in A Village (about 13,000 Yuan per mu for vegetable land and about 16,000 Yuan per mu for fruit land) than in B Village (about 11,900 Yuan per mu for fruit land).

In 2004, a protest happened in A Village. A group of organized villagers protested to the officials in government of Y Township and the government of G District (the two higher level governments), questioning the legitimacy of the requisition and demanding higher compensation. However, B Village kept silent on this issue. The villagers in B Village had successfully removed the formal village leader in 2003 by a protest to the city government of Dalian, and the average compensation here is averagely lower than that in A Village. Given these facts, the silence in B seems unusual.

Land Requisition in China

The State divides land in China into urban land and rural land. The State owns urban land, while collectives, usually village committees, own rural land. If the government or a developer wants to make industrial or other use (except for agricultural use) of a piece of

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3 I got this information from the interview with the vice president of Z Group, the developer of the residential development project and confirmed the figures again with the interviews with the village leaders in the two villages.

4 These numbers are according to the interviews with the village leader, Z, and villagers, Q, G, J, and D in A Village.

5 These numbers are according to the interviews with the village leader, J, and villagers, M, Y, and X in B Village.
rural land, the land must first be requisitioned by the State. The Chinese Constitution authorizes land requisition in Article 10, which states that “the state may, in the public interest, requisition land for its use in accordance with the law.”

The compensation of land requisition is paid for either by the government or the future land user. The compensation standard is set by the government to be within a certain range. The villagers’ committee and the government and/or the developer can negotiate the compensation; however, the price is usually low compared to that of the land being leased.

Land requisition has led to numerous protests across China. As in the case I will study, the protest in A village was triggered by the villagers’ complaints about compensation in the requisition. However, what is surprising was the silence of B Village about this requisition. The thesis will study why protest did not happen in B Village.

Chapter 2: Literature Review

It is important to first confine the protests I am going to study to a certain category in the
literature. The protests in rural China are different from social movements because the protesters usually do not consciously attempt to “achieve or prevent a social change” (Rucht 1999). Instead, they often demand little more than scrupulous enforcement of existing commitments, so that the protests in China are based on strict adherence to established values (O'Brien 1996). In addition, most of the rural protests in China are “economically motivated actions”, which are protests demanding a secure livelihood (Perry 2001).

Although the popular protests I will study are different from social movements, the social movement theory is useful in explaining the emergence of these forms of popular resistance. Many empirical studies on contention in contemporary China have also identified several factors that contribute to the occurrence of popular protests in China.

McAdam, McCarthy, and Zald (1996) identified three common factors that social movement analysts have identified during the emergence and development of social movements/revolutions: (1) political opportunities: the structure of political opportunities and constraints confronting the movement; (2) mobilizing structures: the forms of organization (informal as well as formal), available to protestors; and (3) framing processes: the collective processes of interpretation, attribution, and social construction that mediate between opportunity and action (McAdam, McCarthy et al. 1996). I will use the framework of social movement theory in the thesis, but within each of the three factors, I will rely on the dimensions that have been identified by Chinese contention studies.

1. Political Opportunities

Political opportunities are often “created by cultural breaks and the surfacing of long-dormant contradictions that reframe grievances and injustices and the possibilities of action” (Zald 1996). Scholars researching the popular resistance of farmers in China as well as other countries have researched three dimensions within the political opportunity factor:

1.1 Political openings provided by central government

Tarrow (1996) in a summary of farmer-resistance literature believes that peasants exhibit at least one “rational” uniformity: “They have the good sense to rebel against authorities only when windows of opportunity appear in the walls of their subordination” (Tarrow 1996).

O’Brien (1996) believes that the “central policy” in China provides the political opportunities for farmer resistance. He argues that resisters choose their targets and time their assaults carefully according to the changes in the political opportunities provided by central policies. Li and O’Brien (1996) find that during the years in the first half of the 1990s, perceptive rightful resisters have taken advantage of drives for (1) clean government, (2) rule by law, and (3) village democratic reform to attack cadre abuses. They believe that the resisters use the loyalty to central policies as a protective shield to express their grievances concerning corruption, unlawful fees, undue coercion, and leaders’ “undemocratic” work style.
1.2 Control by village leaders.

Huizer (1999) identified the repression by local landowners peasant movements faced historically: large landowners may fire agricultural workers or evict tenants who were potential or actual leaders and who took the initiative to organize the peasantry. When such measures did not have the desired effect, potential leaders might be offered money or privileges in exchange for moderating or halting the organizing efforts. And if this did not work, threats of arrests or persecution of “subversion” or similar alleged acts might be employed (Huizer 1999). In China, while there are no private landowners, because all land is owned by the State, there are village cadres who have the economic and political power to control the farmers. They cannot fire or evict any villager from the village. However, economically, they control the vital resources, such as land, that the villagers depend on for livelihood (Guo 2001). Economic control by local leaders may discourage or repress protests. Guo (2001) believes the lack of the local concerted action among the villagers in some villages is because of the strict control of the livelihood resources by local cadres.

In addition, although local leaders are not government officials, they have political powers to control the villagers because the village cadres are not adverse to manipulating elections, and the branch party secretary is not subject to electoral politics (Zweig 2000). However, according to Zweig (2000), political control is likely to upgrade resistance. He described the cases when local cadres resist villagers’ claims, threaten them, or simply ignore the court’s decision, the protesters used violence (Zweig 2000).
1.3 State prevention of protests

In analyzing the historical cases of rural social movements, Huizer (1999) believes that certain strategies used by large landowners are often supported by the state to prevent peasants from organizing when the conditions are ripe. For example, he argues that the state may have legislation restricting the freedom of association. However, there is evidence that in some countries, at the national level, there is a certain willingness or determination to apply laws concerning human rights and freedoms, but the lack of an effective apparatus at the local level makes implementation difficult.

Perry (2001, p.167) pointed out that the state government of China shows a "considerable degree of tolerance" to the protests by farmers, because historically, economic protests were supposed to be solved by local officials. Usually the repression of resistance happens at the local level beyond village level but below province or national level, say at the county level.

2. Mobilizing structures

Facing available political opportunities, people need to have the mobilizing structures which organize them for the purpose of the social movements or protests. Usually these organizations have to have leaders who are capable of organizing and mobilizing people. Within the mobilizing structures factor, these two dimensions, organizations and leadership, are stressed by both social movement theorists and the Chinese contention scholars.
2.1 Leadership of local leaders.

Social movement theory stresses the role of leaders in the social movement organizations. For example, Huizer (1999) recognizes the particular role of leadership among peasants. He argues that leadership among the peasants has been highly important to the organization of peasants who confront elites. He believes that a characteristic of such leaders is that they have been able to express clearly the frustrations felt by the peasantry and that they had to replace in their followers the sense of security that was formerly inspired by the landlord. Neither in the literature on social movements or on protests in rural China, are the actions by local cadres fully researched on. Some literature describes the actions of repression by local cadres. For example, O’Brien and Li (1995) made the point that in each stage of the complaint process against the local cadres, the village leaders tried to counter the complainants. Huizer (1999) identified the actions taken by local landowners to repress peasant movements historically: large landowners may fire agricultural workers or evict tenants who were potential or actual leaders and who took the initiative to organize the peasantry. When such measures did not have the desired effect, potential leaders might be offered money or privileges in exchange for moderating or halting the organizing efforts. And if this did not work, threats of arrests or persecution of “subversion” or similar alleged acts might be employed (Huizer 1999). In China, while there are no private landowners, because all land is owned by the State, there are village cadres who have the economic and political power to control the farmers. They cannot fire or evict any villager from the village. However, economically, they control the vital resources, such as land, that the villagers depend on for
livelihood (Guo 2001). Economic control by local leaders may discourage or repress protests. Guo (2001) believes the lack of the local concerted action among the villagers in some villages is because of the strict control of the livelihood resources by local cadres. However, fewer scholars have researched on the role of the leadership of local cadres in social movements. Social movement literature has been focusing on the repression by local cadres of social movement.

In addition, although local leaders are not government officials, they have political powers to control the villagers because the village cadres are not adverse to manipulating elections, and the branch party secretary is not subject to electoral politics (Zweig 2000). However, according to Zweig (2000), political control is likely to upgrade resistance. He described the cases when local cadres resist villagers’ claims, threaten them, or simply ignore the court’s decision, the protesters used violence (Zweig 2000).

Some scholars noticed Local cadres can play positive roles in social movements. Perry and Selden (2004) finds out that in China, the local officials occasionally play the role of the farmer leaders. They argue that while local officials frequently crack down on popular resistance, in some cases their leadership is instrumental in shaping, legitimating, and articulating the demands of social movements, and in some instances in networking with state officials on behalf of local interests.

There is little literature talking about the role of village leaders in counter-framing the complaints and protests. With the economic power that village leaders in China have in villagers, it is possible for them to act in a way that leads the villagers to give up the
antagonistic actions.

2.2 Protest organizations

McCarthy (1996) summarizes dimensions of formal and informal movement organizations that may contribute to movement-mobilizing structures in social movements (Table 2).

<table>
<thead>
<tr>
<th>Nonmovement</th>
<th>Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informal</td>
<td></td>
</tr>
<tr>
<td>Friendship networks</td>
<td>Activist networks</td>
</tr>
<tr>
<td>Neighborhoods</td>
<td>Affinity groups</td>
</tr>
<tr>
<td>Work networks</td>
<td>Memory communities</td>
</tr>
<tr>
<td>Formal</td>
<td></td>
</tr>
<tr>
<td>Churches</td>
<td>Social Movement Organizations (SMOs)</td>
</tr>
<tr>
<td>Unions</td>
<td>Protest committees</td>
</tr>
<tr>
<td>Professional associations</td>
<td>Movement schools</td>
</tr>
</tbody>
</table>

Source: (McCarthy 1996)

According to McCarthy (1996, p. 145), families and networks of friends are central to understanding movement recruitment as well as the formation of emergent local movement groups, because informal and less formal ties between people can serve as “solidarity and communication” facilitating structures when and if they choose to go into dissent together.

Some mobilizing structures are “hybrids” in that they are more organized, but they exist within existing organizations/institutions, for example, prayer groups, caucuses, study groups, sports teams, and commissions, and they can also be building blocks during protest campaigns (McCarthy 1996). Zweig (2000) found that, in China, some villagers are turning to traditional, not modern, organizational structures, such as lineage groups or religious
organizations, as a means of dealing with an intrusive state.

There are diverse, formally organized groups serving as movement-dedicated mobilizing structures that are typically clustered under the social-movement organization (SMO) label (McCarthy 1996). The “independent local” volunteer-based group is the most typical local structural form, which is the common form in most Chinese rural resistance. Zweig (2000) observes repeated uses of protest organizations in rural China. He reports that “if villagers’ petition fails, villagers have already established an organizational structure, replete with leaders and funds with which they can pursue more anti-state-activity”. Local, independent professional SMOs and national professional SMOs which are common in the United States, haven’t been reported in literature in China. One important reason is that they are prohibited by law.

3. Framing process

While opportunities and structures may be present, framing processes to interpret and socially construct those opportunities into action are also needed. The framing process is the generation, diffusion, and functionality of mobilizing and countermobilizing ideas and meanings in a social movement (Benford and Snow 2000). The literature on the framing process is humongous. However, I only select the dimensions that appear in the literature of popular resistance in contemporary China.

3.1 Historical trajectory
Social movements exist in a larger social context. They draw on the cultural stock for images of what is an injustice, for what is a violation of what ought to be. Similarly, movements draw on the cultural stock of how to protest and how to organize (Zald 1996). Perry (2001) found that the protests in modern China take the forms of mass criticism during the Cultural Revolution. She argued that the long history of contention has taught Chinese people more modes of collective protests than scholars would expect of a population living in an authoritarian country. O’Brien and Li (2005) stressed the influence of formal protests on current protests. They found that as a result of participating in contention, certain activists feel empowered and become more likely to take part in future challenges, whereas others feel disillusioned and lapse into passivity.

3.2 Information Availability

Increased communication, such as newspapers, word of mouth, and magazines, have informed villagers about official regulations, creating more “policy-based resistance” whereby villagers use government laws to challenge who misbehaves (Zweig 2000). Resisters rely on media to learn about the knowledge of central policies. As Li and O’Brien (1996, p. 40) portrayed, “To become more knowledgeable adversaries, [rightful resisters] may subscribe to newspapers and magazines, read cadre work style manuals, listen to radio broadcasts, watch television news . . .”.

Zweig maintains that the media also plays an aggressive role in bringing cases of cadres’ abuse to light. In the 1990s, the media is a more independent collaborator in the struggle
against cadre corruption and misdeeds than it was earlier.

Huizer (1999) argues that the areas where major peasant movements happened are not isolated – most of them had easy access to urban centers. Zweig (2000) believes that the suburban villagers have relatively easy access to higher level government officials, the mass media, and the courts, because they are nearer to the urban centers.

3.3 Personalities.

In their 1996 article about rural protests in China, Li and O’Brien pointed out that villagers with different personalities react differently. They differentiated three kinds of villagers in rural China: (1) compliant villagers who never participate in protests even when their interests are harmed, (2) resisters who organize lawful resistance toward misbehaviors of local cadres, and (3) recalcitrants who take radical forms of resistance against the work of local cadres even when the work is legal. Among other factors, personality is an important one in determining the types of villagers. The compliant villagers are more passive, reluctant to act, and risk-reverse, while the recalcitrants are more radical and easy to anger.
Chapter 3: Research Questions and Methodology

Research Questions

The social movement theory and other theories on contention have been developed primarily in the context of US and Europe (Perry 2001). Most of these countries are democratic or liberal states. In contrast, China is cited by political scientists as an authoritarian state where the state controls many aspects of its citizens' lives, some of which are seen as matters of personal choices in a democratic context. However, the Chinese context is unique. On the one hand, the Chinese government, unlike many authoritarian governments in the world, encourages the protests from the grassroots against local governments or local officials; On the other hand, it is alert of the scope and influence of these protests; once the situation is about to “out of control”, the government represses them rigorously.

I hypothesize that in the Chinese political context, the incidence of protest cannot be predicted by existing theories; there are subtle processes that create the conditions either for or against protests. For example, in the two cases that I am going to study in my thesis, the existing theory would predict a protest is more likely to happen in B Village, because it has a recent success in protesting. However, things did not follow the historical trajectory. The protest happened in A, where no protests happened recently.

Due to the availability of resources and the volume of the thesis, the author only
discusses the issues of leadership, which are one of the most important factors that contribute to the difference of happening of land disputes in the two villages. In discussing the leadership factor, I also explore its relationship with social norms and historical trajectory.

This thesis discusses the historical trajectory from a more complicated perspective. The remote and recent events are discussed in terms of leading to the difference of incidence of complaints. The remote events include the frequent incidence of requisition in A Village versus a void history of requisition in B Village, the sudden change of leadership in B Village, and the economic histories of the two villages. These historic factors contributed differently to the incidence of the complaints.

At the village level, China has a unique political structure. On the one hand, the village leaders frequently use lobbying as a strategy to quench the dissatisfaction among villagers. This was a political tradition during the commune system period. On the other hand, the village leaders have control over the critical resources in villages, such as land and TVEs. I hypothesize that the village leaders’ effective lobbying in addition to their economic control can counter-frame protests. My research questions in this part include:

1. Did the leaders try to persuade the villagers from lodging a complaint? What were the processes? How did villagers react?

2. How did the village leaders make use of the land and TVEs in the two villages? Did they boost the development? How did villagers perceive of this?

I will have to make the assumption that the personality distributions are identical in the two villages because I am not trained to analyze the personalities of villagers.
Methodology

I employ the case study methodology in this thesis. This case study is an exploratory study. I will primarily rely on interviews and secondary data as the data source. To ensure triangulation of the data, I will use multiple sources in answering each research question.

In terms of the historical trajectory, I collected the information of the histories in the two villages mainly through the interviews with the village leaders during the summer of 2005 and with follow-up interviews in the spring of 2006. Secondly, I collected historical news reports from the local newspaper on the histories of the two villages. Thirdly, some of the interviews with the villagers in the two villages either proved the information from the previous two channels or provided a new perspective of the history.

For the last two questions,

1. Did the village leaders try to persuade the villagers from lodging complaints in the two villages? What were the processes? How did villagers react?

2. How did the village leaders make use of the land and TVEs in the two villages? Did they boost the development? How did villagers perceive of this?

I conducted interviews with the two village leaders who were in charge of the requisition and the villagers who lost their land. I also referred to the account records of the two villagers' committees.

For the interview part, I have conducted face-to-face interviews with the two village leaders, six villagers in A Village and eight villagers in B Village. The six villagers in A

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Village all lost their lands in the requisition and five participated in the complaints against the land requisition. The eight villagers I interviewed in B Village also lost their land, and four of them were the activists who led the complaint against the formal village leader which resulted in his removal. I also interviewed the vice president of the developer of the project, Zhongsheng Group, Mr. Guo, concerning the land-requisition issues.

The questionnaire with village leaders were as follows:

1. the information of the village
   1) population:
   2) change of population:
   3) number of households:
   4) income levels:
   5) economic sectors:
   6) farmland per capita:
   7) What are the forms of industries in the village?
   8) Where can I get the map of the village?

2. How many cases of land requisition happened?
   For the 2002 land requisition:
   3. the time the requisition happened, surface area of the land, the use of land after requisition, the duration of construction, what kind of infrastructure
   4. Which department decided the compensation price? How was it decided? Did the villagers’ committee have any influence on this decision?
   5. Why was the villagers’ committee satisfied or unsatisfied with this price?
   6. Did any negotiation happen? Who took part in the negotiation? Was the compensation increased or was the surface area reduced due to the negotiation?

My first intention when starting the field research was to explore a more broad range of factors in causing the difference in lodging complaints in the two villages. The questionnaires for the villagers contained broader topics when I started:

Questionnaire for the villagers:
1. the information of your family:
   1) name
   2) number of family members
   3) occupation
4) average household income in the last several years
2. How many times did land requisition happen in your village?
   For the land requisition in 2002:
   3. time
   4. What was the surface area of the land which you lost? What kind was the land?
   5. How was the land compensated? How much compensation did you receive?
   6. Did you participate in the decision of the requisition (price, location, surface area)?
   7. Were you satisfied with the compensation? Why?
   8. If you were not satisfied? How did you express?
   9. Did any negotiation happen? Who took part in the negotiation? Was the compensation increased or was the surface area reduced because of the negotiation?
  10. Why did you settle with the compensation at last?

But my questions were mostly open-ended. I never disturbed the talk of the interviewees even though they often went off-topic. I was surprised to notice how often the villagers talked about the leadership of the two village leaders during their answers. That was the time when I divert the topic of the thesis to leadership issues. The following interviews were also diverted to the leadership aspect. I asked about the leader’s behaviors during the land requisition in 2002 and in everyday life, including the economic rewards provided by the villagers’ committee and the leader himself, the communication with the leaders, and the situation of the former leader in B Village. The behaviors of the leaders answered my first research question and the economic rewards answered my second research question.

The secondary data I used include statistics in the two villages, including population, household income, land per capita, economic structure, historical records of land requisition, documents in the 2002 requisition, including the households involved, the compensation scheme, the pension program after the requisition, account books of the two villagers’ committees, news reports about the achievements of the village leader in Village B Village.
Chapter 4: Leadership

In this chapter, I will discuss how different styles of leadership lead to the different results of lodging complaints on land requisition. I will discuss this by first explaining the relationship between leadership styles and the lodging of complaints on the land issues and then discussing in four different aspects: leadership and economic rewards, leadership and communication, leadership and social norms, and leadership and historic trajectory.

The village leaders in rural China are officially called “the heads of the villagers’ committees.” The Organic Law in China stipulates that the village leaders be elected by all adult villagers. However, according to recent surveys in Chinese villages, the grassroots democracy is not equally carried out across the country (Li and O’Brien 1996). In some villages, village leaders are still appointed by township government; in some villages, VCs’ elections are controlled by township governments. In B Village and A Village, generally, village leaders are elected. However, the villagers reported that in each time of the previous elections, there was only one candidate. The materials that publicized the candidates were distributed by the township government. Therefore, the villagers had the feeling that they could only elect the candidate who was appointed by the township government and that the elections were controlled by the township government. As a result, the villagers in both villages do not have the power to democratically elect the village leaders. Similar to a large number of other villages in China, the villagers could not express their dissatisfaction to any village leaders by voting. The only channel that they could express their dissatisfaction was
to make complaints to higher level governments. According to O'Brien and Li (1995), the villagers often cite the land disputes caused by land requisitions against the immoral leaders.

Mr. Z, the village leader of A Village, was elected in 1999 and reelected in 2002 as the head of the villagers' committee in A Village. Mr. J, the current village leader of B Village, on the other hand, had a whole different story. In March 2002, Mr. J was appointed to be the head of the villagers' committee in B Village by the township government under a particular situation. He was appointed right after the removal of the former village leader, Mr. D. Mr. D's removal was because of a collective complaint made by the villagers in B Village.

During the interviews with the villagers in B Village, I was most surprised by the explicit support for the current village leader, Mr. J. The four most important activists in the previous protest against Mr. D, expressed their support for Mr. J without I even mentioning his name. When asked why they did not lodge any complaints to higher level governments about the land requisition, the villagers showed unwillingness to make any trouble for Mr. J. In contrast, in A Village, where the collective complaint happened, villagers talked about their leaders much less. One villager, who was one of activists in the collective complaint, expressed his dislike and dissatisfaction of the leader. Leadership had made an important influence on the decision about whether or not to lodge a complaint on the requisition issue.

From in-depth interviews with the villagers and the leaders, I have identified that the leader of B Village, Mr. J, has some characteristics of a "charismatic leader." The notion "charismatic leader" has been discussed intensively in organization literature over the last two decades. The theories on charismatic leader focus on "exceptional leaders who have
extraordinary effects on their followers. According to these theories, charismatic leaders are able to set collective visionary goals and transform the followers to pursue such collective goals while sacrificing self interests. Shamir, House et al (1993) suggest that charismatic leaders motivate their followers by increasing the intrinsic valence of effort and goal accomplishment, by increasing effort-accomplishment expectancies, by instilling faith in a better future, and by creating personal (or moral) commitment.

The villagers in B Village who lost their lands received much less compensation for their land than they had expected, but they did not lodge any complaints against Mr. J. When talking to me about the reason, some of them mentioned they did not want any trouble for Mr. J; some expressed their high expectations from J, explicitly, J would lead them to build a “better Village B.” These villagers gave up their immediate economic interests for more future economic interests. J was successful in setting the vision of a “better Village B” for which his followers were willing to sacrifice their self interests. A vivid picture of the commitment of the villagers to the “better Village B” was described by one of the villagers to me: In 2004, the village committee decided to eliminate grass on one lot of land to turn the lot into farmland for commercial grass. Mr. J encouraged the villagers to work in the field during weekends. On the Saturday after the decision, almost all the families nearby went to work in the field. Some seniors worked while sitting on small chairs. A lady in her seventies also worked and refused to go back home for a rest.

From the interviews, I have identified four factors that related to leadership which led to the different situation in the two villages: leadership and economic reward, leadership and
communication, leadership and social norms, and leadership and historic trajectory. I will discuss each factor respectively.

Leadership and Economic Rewards

In literature on leadership and organization, economic reward usually is the reward that directly linked to the followers’ performance toward the goal of the organization. In their discussion of the effects of charismatic leadership, Shamir, House, and Arthur (1993) proposed that the emergence of effectiveness of charismatic leaders will be more likely under conditions that leaders cannot link extrinsic rewards to individual performance. They reasoned that in such conditions, leaders cannot provide sufficient performance incentives and followers do not perceive the situation in the same manner. Therefore, followers’ values and identities can be more likely to be engaged so that they would be more prone to the influence of charismatic leadership (Shamir, House et al. 1993).

However, if we expand the notion of economic reward to a more broad definition, the economic give-outs from the leaders to the followers for any purposes (not just linked to the performance), the effects are quite different. In Chinese villages, economic reward can be an important method for the village leaders to obtain support from villagers. Under the pragmatic reform philosophy in China, the goal of a village is economic prosperity. But village leaders and villagers can interpret “economic prosperity” from two different perspectives. Village leaders expect high revenues to the village committees whereas villagers expect wealth for individual families. In modern Chinese villages, the main revenue
for the village is from township and village enterprises or the lease of village-owned
properties instead of the agricultural income. In this case, it is difficult to measure the
contribution of a villager to the revenue of the village. Therefore, it is a situation where the
link between reward and performance is ambiguous, the situation described by Shamir,
House et al (1993). In the case of Chinese villages, economic rewards are used to bridge the
gap between the goals of village leaders and the goals of villagers. Using the tool of
economic rewards, leaders are likely to persuade villagers that the goal of the village as a
collective is in congruent with the goals of individual villagers More specifically, the leaders
can obtain more tolerance from the villagers on things that may “temporarily” impair their
personal interests.

The village leaders in China are similar with business leaders because they have both
economic and administrative control in villages. The administrative control is often realized
by economic control. The village leaders in rural China have the economic control of the
collective assets in the villagers’ committees (VCs). According to the Organic Law, the VCs
are responsible to villagers’ councils comprised of all adult villagers or a representative from
each household (art.10 and 11). Villagers’ councils were to draw up village charters and codes
of conduct (art.16) and to review accounts of all revenue and expenditures incurred by the
VCs (art.17).

As well as other village leaders, in A Village and B Village, the village leaders have both
the administrative and economic control of the village. In the economic aspect, they have the
control of the collective assets of the villages, including township and village enterprises and
farmland. The villagers in these two villages call the village leaders “managers,” because the villagers’ committees run like companies and the village leaders play the role of managers of the companies. Village leaders make final decisions such as investment for infrastructures, leasing of the land and factory buildings in the villages, leasing of the farmland both to the villagers and to outsiders. By controlling the economic assets in the villages, village leaders are able to control the villagers to a certain extent.

Village leaders also have administrative power. Although the village level is not an official administrative level of the government in China, the village leaders assume important administrative tasks, such as publicizing central political policies, enforcing the single-child policy and collecting taxes and fees. In most villages in China, the village level authorities usually have strong support from the township level governments. Village leaders, on one hand, have to guarantee the fulfillment of the administrative tasks and keep good relationship with the township government; on the other hand, have to ensure the villagers understand and the policies are carried out. When some central policies or applications do not appeal to villagers, village cadres have to persuade the villagers. Therefore, firstly, village leaders have to communicate with villagers in an effective way; secondly, they often have to make deals with the villagers. Scholars have observed in empirical studies that in China, the village leaders often enforce administrative tasks by economic control. For example, Rozelle and Li (2001) and Brandt, Rozelle et al. (2002) argued that village cadres often enforce administrative tasks by taking advantage of land readjustment in villages.

The village leaders in A Village and B Village showed different patterns in using the tool
of economic rewards. Mr. J, the leader of B Village, consciously and strategically uses economic rewards to obtain moral support from villagers.

The leader of B Village, J, provided many rewards and subsidies to the villagers. From the interviews with the villagers, I identified four kinds of these rewards and subsidies.

**Subsidy for education:**

This kind of subsidy is unique in B Village. The subsidies are from Mr. J, the village leader, himself to the parents whose children are accepted to good universities. The subsidies often cover the tuition for the students.

Villager M told me that “J really likes good students who make into the top universities. He always encourages the high school students to work hard. Several days ago, Villager Z’s daughter was accepted to the Dalian Sciences and Engineering University. J gave her 4,000 yuan as an award. Another villager’s son also got into a university last year, which is not as good as Dalian Science and Engineering University. He also got 4,000 yuan. Just now I saw him asking J for money again. He told me that J had promised him to give him 4,000 yuan each year for his son’s tuition.” M also told me J encouraged his son to apply to Peking University. J promised to pay the tuition for her son. J told me in an interview that he intentionally encourages the youth in the village to obtain as much education as possible, so that they would not stay in the village and earn a much better future in cities.

The villagers who received the awards from J expressed their appreciation to J enthusiastically. They believe these awards would bring their families a better future.
Chinese culture values education and filial piety. For some parents in the countryside, their only wish is to send their children to universities. Education from a university is often the key to starting a decent life in a city for children from the countryside. After these youths start to work, they would support the living of their parents. Investment in education, therefore, is regarded as investment into a family's future, especially for parents in Chinese villages. From this perspective, J's awards to education showed the villagers his concern for the future of individual families in B Village.

Subsidies to villagers in need:

The subsidy for villagers in need is not a general practice in Chinese villages. A Village does not have such practice. Mr. J, the village leader of B, practices these subsidies in the village. Most of the money that he used for these subsidies is from his personal savings, so villagers regard this kind of subsidies as the help from Z personally. These subsidies help to build the image of J as a selfless and caring official and deepen the respect from the villagers to him.

Before each Spring Festival, J gave 2,000 yuan to a poor villager as a subsidy. Villager C, who is a retired Party member. W, a villager, also told me, when he was in financial difficulty, J gave him 2,000 yuan as a gift. According to a report by Dalian runsky.com, J made the decision that the villagers' committee provides 400 thousand yuan as the subsidy to the seniors, Party members, and veterans. Villager H told me, she was terribly sick one day last year. After J got the news, he asked his own driver to drive H to the hospital using J's car. H
told me she knew several other cases like this.

J told me that since the social welfare system had not yet been established in the countryside in China, he would like to provide as much help to those who are in need in the village as possible in compensation to the short of social welfare. To the villagers' understanding, these subsidies from Z showed his true care for his folks and his selflessness.

Pension project:

Since 2004, the Y Township government has been trying to establish a new pension system in the town for landless villagers. The township government and villagers' committee subsidize 1/3 of the payment for the pension savings for each village respectively; the villager pays for 1/3 of the payment. After the villager reaches 60 years old, he/she will receive a pension of about 3,000 yuan per month. However, most of the landless villagers are still in their 40s or 50s. The pension system will not be executed until 10 to 20 years later. The only welfare for seniors in villages of Y Township now is the pension projects run by each villagers’ committee. The amounts of the pension vary among the villages. Both A Village and B Village are running their own pension projects, or more accurately, subsidies for seniors. The seniors in the two villages are both receiving subsidies from the villagers’ committees. A Village began to run the pension project in 1998. The amount was 800 yuan per year for a senior at the beginning. In 2005, the amount increased to 1,000 yuan per year. B Village was quite different. The pension project began in 1998 namely. But the villagers received nothing until 2002 when the new leader, Mr. J took office. The amounts of the
subsidies increased by about 30% each year from 2002 to 2005, from 800 yuan to 1,500 yuan per person.

J told me that all the seniors in the village receive 1,300 yuan in 2004 as pension. Sunsky.com said in 2005, the seniors received 1,500 yuan as pension. J said he was preserving the rent from the 6 factory buildings in the village as the pension fund. Each year, there is about 200,000 yuan of rent. In addition, each year, the villagers’ committee organizes a travel for all the seniors. Some seniors who lived out of the village are moving back to the village to enjoy the subsidies and the entertainments. In 2002, there were 217 seniors in the village; now there are more than 350. In the past several years, although the number of seniors that are qualified for pension increased from 220 to 350, the pension for each senior increased by 30% each year.

The methods of financing of the pension fund are also different in the two villages. In B, the source of pension fund is specific. J built several factory buildings, of which six are now rented to factories, to preserve the lease as pension fund. The current amount of pension fund is 200 thousand yuan. As the amount of the lease income increases, the pension will increase accordingly. In A, however, the pension fund is listed as one of the expenses of the villagers’ committee thus the amount of pension fund is decided by the village leaders.

“Bonus” to Villagers for holidays:

Bonus to villagers is a kind of common economic rewards in Chinese villages. The bonus is provided by the villagers’ committee to all the families in the village showing the
appreciation of villagers' contribution to the village and a giving for the villagers to celebrate the holidays. This kind of bonus is very common during the socialist period in China in all the state owned factories and collectives. Usually the bonus, typically raw food, is distributed before the spring festival. Both A village and B Village have the tradition of distributing the bonus. However, the values of the bonus and the style of distribution are quite different.

In B Village, Villagers M, S, and L enumerated the rewards each family in the village gets before Spring Festival to me. Each family gets a bag of rice, a bag of flour, a bottle of oil, and 5 kilometers of ribbonfish. Ribbonfish is quite expensive for the villagers, so they feel very surprised when they first received it. H told me as a senior, she receives a box of mooncakes before the mid-autumn festival. These villagers look very happy when they talked about these rewards. M said, “I knew J has been in office for 3 years already because I received ribbonfish for three years.” S said, “I remember very clearly, J took office on March 5, 2002. We have been so happy after he took office.” L said, “J must keep the villagers in mind to reward us with all these.” In Village A, the bonus does not include any fishes, other bonus are the same with B. The villagers did not seem happy or surprised when talking about bonus in the village.

I also noticed the description of the distribution of the bonus by the villagers. In Village B, villagers gather on a certain day before the festival in a big playground of a local school and receive the bonus. The villagers described the day as a special day for them. In Village A, each family goes to the villagers’ committee building for the bonus; no gathering is necessary.
Leadership and Communication

Good communication with villagers is also a key factor in determining the extent of support that the village leader could obtain from the villagers. Given the large populations in most villages in China, the village leaders are not able to know each villager individually. For example, A Village has a population of about 3,000 and B Village has a population of about 1,500. To maintain a good communication with the villagers requires right strategies of communication. Mr. J, the leader of B Village, and Mr. Z, the leader of A Village, are apparently using different communication strategies with their villagers.

There are two parts in J’s communication strategy with the villagers. One part is to approach the activists in village directly. The other part is to explicate the goals and the actions of the villagers’ committee. On the other hand, Z also has his own communication strategy. He keeps close relationship with the party members in village.

J keeps good communication with the activists in the village. He often made appointments with women representatives, seniors, and Party members in the village to have informal meetings with them. In these meetings, he listened to the suggestions and requests from the groups. A large portion of the female population in the village work in the village or stay at home, which is in contrast to the male population, who work in Dalian city. Therefore, women play an important role in the affairs in the village and some of them are very active. For example, the complaint against the formal village leader was headed by four women in the village. In meetings or in other occasions, J often asks about women’s opinion on the villagers’ committee and its work. One of the women activists told me that it was easy for her
to make an appointment with J if she wishes and J is willing to hear and is modest with the villagers. Several villagers mentioned J walked in the farmland when they were working and talked to them in person. Many of the villagers in B Village believed they had good personal relationship with J. They see their relationship as quite close.

Given the solid personal relationship with the activists in the village, J was able to make personal requests of them. One of the women activists, Villager M, told me that after the land deal in 2002 was finally settled, J talked with her in person, saying “Just stay in peace and trust me (on the requisition issue).” The women activists also told me that they would not want to make any trouble for J that may lead to his removal.

J also makes the actions and the finance of the villagers’ committee transparent to the villagers. He publicizes the development plans, revenues, and expenditures of the village in the villagers’ committee meeting. Most importantly, J emphasizes the link between the village’s revenues to the welfare of the villagers. For example, one of these plans was to grow lucerne (a kind of commercial grass) in the village. J first publicized the plan and stressed that the sales of the lucerne would be part of the revenues of the village. When the project began, he called villagers for help. All the villagers who stayed in village helped on the project.

On the land requisition issue, J consciously revealed all the information about the deals to all the villagers, including the secret deal between former village leader, D Daihui, and the developer, and the deal he negotiated with the developer later. Before the negotiation, he called for a village’s committee meeting to set up an appropriate price. The original price
they agreed on was. Since the original price had not been agreed by the developer, J also revealed reason for the failure. He told the villagers that the township government had the concern that if the price of this requisition was too high, it would soon boost the land price in the town, which would increase the cost of requisition more land for the Industrial Park. J showed his difficulty in further pressing the township government and asked for the tolerance from the villagers on this issue. The villagers, including the activists, therefore, showed much understanding.

Similar to the leader of B Village, the leader of A Village also approach certain groups in the village directly. However, the activists in the village seemed not clear to Z, because there had not been protests or complaints in the village before the requisition in 2002. Therefore, Z selected to approach the Party members in the villagers’ committee and kept personal relationship with them. He visited these Party members’ homes quite often. In addition, he regularly invited them to dinners and discussed issues in the village at the same time. The close relationship made the Party members quiet on the issue of requisition. But on the other hand, since Z’s communication with the Party members was not public to the villagers, villagers questioned their relationship. Villagers also doubted corruption existed in the villagers’ committees when they knew the members of the committee often dined in restaurants. The lack of transparency caused much tension between the villagers’ committee and villagers.

As on the requisition issue, neither did Z either publicize the details about the land deal nor did he specify the use of the requisitioned land until the developer began to work on the
land. Villagers suspected he had made profit for himself on the land deal. The information Z provided on the land requisition was the result of his negotiation with Mr. Guo, including the site of the land to be requisitioned, the surface area, the villagers who need to clear out their land, and the compensation that the villagers would receive. He did not specify the reason of the compensation price, the real purpose of the compensation, or the process of the negotiation. On the other hand, J in B Village publicized the details of the negotiation he did with the developer. The information soon spread to the adjacent A Village. The villagers thus suspected Z concealed the information intentionally. This dissatisfaction to the concealing was one of the reasons that lead to the complaint of A Village.

Leadership and Social Norms

Leaders are also evaluated by their followers using the values in social norms. The traditional Chinese culture requires officials have high moral standards. The Chinese Communist Party also publicizes the progressiveness of party members, especially officials. As a result, villagers are sensitive to the moral standards of their leaders. They evaluate them not only by their achievement, but also by their moral standards. While J, the leader of B Village received much praise from his followers on his moral standards, Z seemed to receive controversial evaluation.

The leader of B Village, J received highly evaluation from his followers for his "high moral standards". Firstly, he was praised for being honest and upright in handling the village’s financial issues. The former leader, D, was criticized for corruption. He had never
publicized any financial reports of the villagers’ committee. On the other hand, J paid special attention to the financial transparency. As I discussed in the previous part, J explicate the revenues and expenditures of the villagers’ committee. The financial transparency, on the one hand, made the villagers believe that they were important in the construction of the villager’s future; on the other hand, made the villagers believe in J’s personal moral standard.

Villagers also praised J much about his love toward the village. In addition to the numerous cases they mentioned about J’s financial contribution to the village, they also mentioned the daily life styles. Some villagers noticed that J did not have any real properties in the city. Instead, he only had a house in the village. In these villagers’ eyes, this showed J’s love towards the village because he wanted to stay in the village even though he had the opportunity to live in the city where the infrastructure is much better. Villagers also noticed that J always had dinner at home. Sometimes, his family had dinner in the front yard of the house. Villagers liked to greet J and sometimes talk to him during the dinner time. Villagers believed that this showed J’s love toward his family, especially his respect to his mother. In the Chinese culture, living with the parents and accompanying the parents showed the son or daughter’s love and respect to them. From another perspective, one village also believed that since J always had dinner with his family, he never spent the villagers’ committee’s money to treat his own friends, which showed his honesty and uprightness.

In the other village, A Village, villagers questioned the honesty of their leader. No villagers can actually provide any evidence to prove him to be corrupt. However, there are a lot of hearsays and little stories about how Z could have abused the villagers’ committee’s
public money. For example, villagers mentioned that Z often invited his own friends, especially the Party members in the villagers’ committee, to dinner in fine restaurants. Some villagers even mentioned the story that Z was drunk and destroyed a car (which belonged to the villagers’ committee) when driving it.

Compared with Z in A Village, J had much better reputation in the villagers. He maintained his moral image in villagers’ eyes by firstly strictly dividing public properties with his private properties, secondly promoting the financial transparency; thirdly, showing his care and love to his family and the village and his willingness to communicate with the villagers.

Leadership and Historic Trajectory

Some charismatic leadership theorists, such as Conger and Kanungo, proposed that leaders who are in earlier stages of their terms are more likely to win the support from their followers by setting bright goals of the future (Conger and Kanungo 1987). The cases in this thesis are congruent with this hypothesis. However, there were deeper historic reasons in the two cases than the theory proposed.

The situation in A Village was a stable situation in which the leader had been in office for several consecutive years. The previous land requisitions had been quite frequent during the last ten years. During the last ten years, at least 1000 mu of farmland had been requisitioned for the construction of the Industrial Park of the town. The process had been accumulated throughout the years which led to a point of intolerance of the villagers. On the
other hand, the former corrupt officer was removed and the situation in B village had dramatically changed after the new leader took position. Poverty troubled the village for years. The poverty which had partly been the result of the corruption and irresponsibility of the former leader had been changed by the current leader. The villagers were in a better-off situation. Their dissatisfaction toward the land compensation was offset by their satisfaction with the current leader. They can foresee a prosperous future with the current leader in office. As a result, they were able to bear the temporary loss in the land requisition in short term.

In conclusion, the land requisition issue was a trigger of the complaint lodged by the villagers in A Village. The dissatisfaction was accumulated throughout the last ten years with frequent land requisition and enhanced by the distrust from the villagers to the leader. The distrust was caused by the little economic gain that villagers actually received from the economic development of the village and the lack of communication between the villagers and the leader. In addition, the moral standard of the leader was questioned from the perspectives of social norms in the village. The style of leadership of the leader in B Village, however, lower the possibility of a complaint lodging in this village, because firstly, the villagers receive actual economic gains from the economic development of the village. Their own economic benefits were linked to the economic prosperity of the village which led them to have a longer view of the economic benefits instead of seeking short term gain. The leader constructed effective channels to communicate with the villagers, especially the activists in the village. The personal relationship enhanced the mutual understanding of the land issues in
the village; the financial transparency promote trust to the leader. Equally important, the leader showed his high moral standard by conforming to the traditional social norms in the village by exhibiting his love towards his family and his home village.
Reference


