

# Guarantee and Realize Farmers' Land Property Rights and Interests, Promote Rapid Growth of Farmers' Property Income

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**Abstract.** To realize the economic value of farmers' land and protect farmers' property right is the key to improve farmers' income. In the three kinds of means used to realize rural land rights and interests, that is, rural construction, circulation of contracted land, and state expropriation, the limitative construction land system, nonstandard contracting methods, and insufficient fund in state expropriation are the problems which happen in system guarantee of land asset rights and interests. This paper carries out analysis on current conditions used to improve farmers' property income, and proposes the suggestions about realizing and guaranteeing farmers' rights and interests and promoting the growth in farmers' property income.

## Introduction

The land is important real estate in rural area, and it plays an important role in growth of farmers' property income. Therefore, to expand the improvement, implement land reform, let rural land realize capitalization, and fundamentally increase farmers' income is of great theoretical research and realistic significance. At present, China's rural property income is lagging, and the problems such as deficient source, low proportion, and few absolute amount appear.

## Rural land as source of farmers' property income

To establish a perfect rural land property management system and promote the land market-oriented reform is the guarantee for farmers to obtain property income. In order to exert the hedging and appreciation function of rural land, we shall practically endow rural land with property, realize land monetization and commercialization, and improve the circulation of land; furthermore, we shall take this basis and combine with rural features to develop rural land stockholding system. In the process of implementing rural urbanization, there is serious loss in farmers' property right; therefore, we shall improve farmers' position and practically protect farmers' rights and interests upon land transaction. The task of socialist construction is to improve people's livelihood and reform the distribution system of income. In this process, to let urban and rural people increase their property income is an important work, and it has attracted wide attention from the society and mass.

In terms of constructing rural infrastructure, improving rural development speed, and greatly increasing farmers' income, it is pointed out in many state documents that it is required to further specify the legal position of rural family property, protect farmers' due right-to-use and right-to-earnings of collective land property, and make all efforts to create multiple conditions to improve the level of farmers' property income. Based on the fact that there is larger and larger urban-rural gap, the State Council and the Party Central Committee have used the creative thinking of urban-rural development and implemented important measures to realize urban-rural integrated pattern and increase farmers' income, which is of extraordinary realistic and theoretical significance for research on those problems. Due to many design deficiencies existing in China's land property right, many farmers haven't obtained due protection and respect in terms of land property right, which causes serious influence in improving farmers' property income. The influence is mainly reflected at following aspects.

### **Has seriously limited the economic value of rural land.**

Currently, the continuous appreciation appears in rural land with the urbanized and industrialized development. However, due to limitation of rural management system on land, the farmers' land property rights and interests are not fully shown.

#### *There are strict state rules and limitations for construction of rural residence land*

In the rural construction land, the residence land is the main part; many "non-farmers" have had private house property and stable income in cities, and many rural residence lands are under idle state. However, it is stipulated in laws that the urban residents are not allowed to purchase residence land in rural area, and each farmer household can have one residence land, which causes the situation that the rural residence land can be only internally circulated among collective members, thus the economic value of rural residence land shrinks to certain degree; if the farmers sell their residence land to urban residents, they will obtain high economic benefits, but those benefits are under no legal protection. In recent years, the group event and farmers' petition caused by rural land have hindered harmonious and stable rural development. The reform of rural land has become the primary task at current stage. In the near future, with the reform of land system, more terms on protecting farmers' land rights and interests will be added in laws and regulations, and the bright spots and power in farmers' power will be the growth of property income.

#### *The direct entry of rural land is strictly limited*

According to laws and regulations, only the enterprises established in the form of enterprise land and individuals, unit joint operation, and pooling of land formulated according to national overall planning can use collective land; as for right of land circulation, there are also detailed rules: only enterprises can re-circulate the land under the condition of transferring right of land use caused by merger or bankruptcy; the strict state approval is required for other individuals and units in land circulation. The only channel for rural collective land to be transformed into urban land is state land expropriation. The rural land can neither autonomously enter into market circulation, nor be developed by itself while conforming to national regulation and planning, which causes great influence and restriction on farmers' realizing land property right.

### **The non-standard circulation of rural land contracting influences farmers' income.**

With the economic development, large quantity of rural surplus labor force realize their employment in cities, and many non-farmers appear in rural area; the land operation becomes a prominent problem, and the land abandonment and desolation even appear in some places. However, the non-agricultural employment is often unstable, and there exist some concerns in circulation of rural land; as for the right of land circulation and operation, it is characterized by small scale, weak stability, and no standardization, etc. Through survey on rural land, it can be found that the farmers often select villagers in same village, relatives or friends as object of circulation, for they want to recover the land circulated out at any time; without standard contract, the oral agreement is often used; the rent is generally token payment, and there is even no contracting fee. A reasonable circulation system is still not completely established. Although many enterprises are willing to pay more rents to contract rural land, many farmers consider the rights and interests of contracted land and show little interest in enterprises' circulation of land due to the fact that the enterprises generally require a long-term circulation and large land scale.

### **The national compensation for rural land expropriation can't reflect actual market value of rural land.**

It is stipulated in laws that the state shall provide certain economic compensation for the expropriated rural land. However, in the actual operation, the government monopolizes the rural land and obtains great profit in land circulation, but pay little compensation for farmers; the compensation is only 30 times of economic income of land in previous three years. The land is the support for farmers to maintain survival, and also the guarantee for their development and survival. The

compensation for land circulation can't reflect the value of land, thus it is hard to realize substitutive compensation.

### **The capitalization of rural land can improve farmers' land property income in rural area.**

The property income is a part of rural residents' income, and the property generally includes real estate (collectibles, land, vehicles, and house, etc.) and movable property (negotiable securities and bank deposit, etc.). In terms of movable property, the dividend of negotiable securities and interest of bank deposit are a part of property income. The property income from real estate mainly include automobile, house property, and rent obtained via leasing the assets. However, there are limitations for farmers' fixed assets, which influences farmers' land earnings.

Currently, the main task of rural reform is to implement the capitalization of right of use of rural land so as to mitigate idle rural land property, loss of farmers' land use, and limitation of rights and interests; the farmers shall utilize land resource to obtain more profits and remunerations. The capitalization of right of use of rural land can let rural villagers enjoy the right of land assets and real right; on the basis of not changing the application of land, they can regard the land as a kind of production material to carry out investment and then obtain certain property income. The land capitalization can increase farmers' property income, which can be reflected at two aspects. On one hand, the land capitalization can expand the basic application of rural land, let farmers utilize land, realize land investment, and increase farmers' income; on the other hand, the capitalization of rural land can promote agricultural industrialization, and scale development, and increase the circulation efficiency of land resource. The farmers can regard the land as capital to carry out investment and form certain-scale centralized operation, which can improve land utilization rate and increase farmers' income; the farmers can obtain long-term income from centralized land investment rather than one-off compensation, which can expand the road of farmers' income and increase their land property income.

In the land capitalization, it is able to utilize the real-estate function of land as a new way of farmers' growth of income; besides, it is able to further promote the growth of movable property through increasing the income from real estate. The farmers make use of land resource to carry out investment, realize growth of income, improve level of income, and promote the increase in negotiable securities and bank deposit; in this way, the farmers can continuously obtain dividend of securities and interest of deposit and obtain more income. Furthermore, it is able to realize the increase in real estate driven by movable property, and finally realize stable and continuous increase in farmers' income.

### **Suggestions and countermeasures of increasing property income of rural population**

#### **To promote land reform and let farmers obtain the right to derive benefits from land**

The land is the rural collective property, and also the farmers' production material and the main way for farmers to obtain income. In order to promote land reform, it is required to determine and divide the property right, and clearly explain collective economic organizations. Firstly, it is required to perfect the laws and regulations related to land management and practically guarantee stable growth of farmers' income. Then, it is required to supervise and manage the use condition of rural collective land, and ensure that the farmers possess land asset. In this way, we can make use of effective and perfect management to increase the earnings of land resource, realize farmers' right to derive benefit from land, and promote continuous and stable growth in farmers' property income.

#### **To promote scale-based, industrialized, and modern agricultural development, and improve farmers' income**

The household contracting system implemented at present is a production and operation mode which takes each household as unit; in the actual operation, there exist the problems such as low

production efficiency and low land concentration ratio, which fundamentally restrains the agricultural industrialized and modern production. Currently, China makes great efforts to seek for a mode which is more suitable for rural industrial development, and this mode shall be able to change the state of farmers' low income and low output. In the agricultural modernization, it is required to introduce mechanical equipments to carry out scale production, and enhance the establishment of agricultural financial system to provide necessary fund for rural construction and development. In the process of agricultural development, it is required to change the development mode, improve the development technology, promote the utilization of land resource, transform decentralized operation into centralized operation, promote farmers' income from land capitalization, and improve farmers' living standard.

### **To carry out skill and knowledge training for farmers, enhance investment concept, and increase investment income**

The obsolete concept and low educational level is the reason which restrains rural economic development; in order to improve economic returns, the attentions shall be paid to investment concept. Firstly, the government departments shall actively carry out the activities of sending science and technology to countryside, and assign relevant personnel to carry out field investment on countryside to know true rural operation condition; then, they shall assign expert to carry out training and guidance for problems which appear in farmers' investment and operation, and actively participate in farmers' production, make use of advanced science and technology to change farmers' obsolete operation mode and concept, spread new investment concepts, develop the way of investment suitable for local area, improve farmers' financial awareness, and promote the improvement of economic level.

### **To construct perfect land market, and realize legal and standard land circulation**

The foundation for farmers to obtain property income is standard and perfect economic system. If it is unable to realize capitalization and commercialization for farmers' property, it will be hard to realize earnings and appreciation. The capitalized circulation of land shall take the market as carrier; through determining clear land function, it is able to realize the circulation and leasing of land. Meanwhile, it is required to establish perfect system, realize government macro-control, and ensure the standard circulation of land so that it is able to reduce the cost caused in negotiation and transaction of circulation of land, avoid loss, and effectively protect farmers to obtain bigger profits in the process of land capitalization to maximum degree.

### **Conclusion**

To establish reasonable and perfect land property right can provide legal basis for farmers' use of residence land and land contract right. As for farmers with fixed work in cities, they are also allowed to retain the land property right on the basis of becoming citizens; whether the residence land, forest land, and farmland are reserved shall depend on farmers' will rather than be forcibly determined. It is required to provide farmers who have work and income in cities with the right to autonomously handle residence land and contracted land, and let them transfer land property under the premise of fairness and free will and obtain certain rights and interests so as to ensure full realization of value of land assets.

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