

# Probe Into the Circulation Route of Peasants' Land Contract Operating Right

---Rebuilding Personal Ownership's Self-organization and Heter-organization

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**Abstract**—To realize scale operation is a basic purpose of operating the circulation of land contract and its basic form or route should be the combination of farmers' self-organization or second leap put forward by Deng Xiaoping. Besides, its value and institutional orientation should be 'rebuilding personal ownership' which organically combines self-organization and heter-organization. What's more, the lesson of people's commune is the shortage of personal ownership rebuilding; moreover, all-round contract is of great significance with profound negative lessons; only by organically combining self-organization and heter-organization to realize the second leap, namely rebuilding personal ownership of Marxism so as to thoroughly solve three rural issues.

**Keywords**—Land contract and management right; Circulation route; Organization; Self-organization; Heter-organization

## I. INTRODUCTION

In a dazzling array of publications and media direction, a tendency is worth discussing, that is the elitism of land contract and management right circulation route. This route can no longer follow the path of grass route cooperation but the elite path integrating leading company and retail investor as well as larger trader and retail investor so as to make majority of farmers become employees of larger investor or leading companies to completely privatization for urban and rural areas of China based on permanent tenancy.

This elitism tendency undoubtedly protect peasants' right of land and there are two special forms for circulation routes of Peasants' Land Contract Operating Right; the basic form or route should be the combination of peasant's self-organization or the second leap put forward by Deng Xiaoping. Besides, its value and institutional orientation are neither privatization based on permanent tenancy nor simple regression of people's commune, but rebuilding personal ownership of Marxism--organic combination of ownership and right of use or an association of free individuals organically integrating farmer's self-organization or government's heter-organization.

## II. THREE COGNITIVE MISUNDERSTANDINGS POINTING TO LESSON OF PEOPLE'S COMMUNE

Based on the idea of two leaps put forward by Deng

Xiaoping, to deconstruct people's commune does not mean to deconstruct collective economy but rebuild collective economy. The first leap aims to break rigid system of people's commune and determine double-layer management system combining centralization and decentralization while the general feature is decentralization; the second leap is established based on decentralization so as to guide and promote the Social reorganization of unshared housing while the general feature is centralization. [1]

Nowadays, China's vast rural areas are experiencing the transitional phase of these two leaps while the transitional forms are various peasant specialized cooperative organizations in the course of circulating land contract and management right. The reason of circulation is a dazzling array of young rural laborers migration and therefore, no circulation cannot solve the contradiction between fewer laborers and more lands. [2]

However, there is common understanding or practice mistake for this transitional phase, that is the nature of 'run by people, controlled by people and for people' for peasant specialized cooperative organizations' self-organization is not clearly understood. As a result, phenomena such as administration forceful push and hard organization emerge. In addition, heter-organization is opposed to interest-induced self-organization, which highlights to improve exogenic force, especially government function; hard organization does not belong to heter-organization which develops in the light of its general trend but destructive enthusiasm of administration forceful push. In addition, there are two understandings or practice mistakes: firstly, specialized cooperative organizations belong to self-organization and expanded self-employment, which is not related to collective economy, therefore, people turn a deaf ear to vacancy of heter-organization; secondly, turn pale at the mere mention, while talking about co-operative society rural people shall have cooperatives and people's commune in mind, who are afraid of following the beaten track. As a result, they are not positive in implementing self-organization or heter-organization, even worse, they are somewhat indifferent.

Generally speaking, they have to correctly understand cooperatives, especially the lesson of people's commune so as to understand these three cognitive

misunderstandings; if the above misunderstandings cannot be solved, it will be hard to make internal drive combination of self-organization become the basic form

for land contract and management right' s circulation and two leaps cannot have successful transition.

In some ways, the aim of people's commune should be an association of free individuals of Marxism so as to return authority to broad masses of peasants known as freemen based on the combination of people's commune. However, in practice, the combination alienates as super-economic power on freemen and meanwhile freemen alienate as the super-economic power' s subjects. The fundamental reason of alienation is the lack of rebuilding personal ownership and freemen lose the economic base for freedom.

No matter how the theoretical circle discusses about rebuilding personal ownership, a fundamental fact is that when mass peasants lose dominance on production goods such as land, they also lose their liberty and development right, and the master status of people's commune. Countless old farmers who have experienced people's commune are grateful to chairman Mao and Communist Party on the one hand, but on the other hand they also criticize on cadres at that time. They mainly complain how the cadres force or even oppress them yet they cannot complain. Maybe it is so called the nature of being afraid of power. However, at present, when people become the master of country, it is not the problem of nature while being afraid of public servant. The root cause of being afraid of public servant is the lack of rebuilding personal ownership which leads to the condition that the existence condition of community members is controlled by alienated public servants.

From the perspective of scientific socialism, the combination[3] is established based on socialist principle, the basic principle for ownership is to rebuild personal ownership [4], namely to integrate personal ownership[5]. Besides, the fundamental principle lies on the philosophy that without rebuilding personal ownership, freemen shall lose the economic base to seek for freedom and combination shall alienate from the social power dominated by self to political force of super-economic power controlled by minorities. However, such combination asks for highly developed productive force and highly socialized production while China does not have such condition. So, in order to implement socialism, we have to follow the principle of rebuilding personal ownership in the premise of vigorously developing productive force to gradually cultivate the combination. To conclude the lesson of people's commune is reciprocal alienation of combination and freemen.

Positive meaning and negative lesson of all-round contract

Liberal democracy is economic problem rather than political problem. The reason why Chinese reform is ignited by the deconstruction of people's commune is because of the economic democracy concept of Deng Xiaoping: At the moment, we have to focus on democracy yet I want to highlight to promote economic democracy. The most urgent issue is to expand the autonomy of mining enterprises and the production team so as to make them full play their creation potential. Once a production team is granted with autonomy in management, a land can be taken advantage of to make plant and the water can help to make animal farming, therefore, community members have to figure out how to make better. Hundreds of

thousands of small businesses and millions of production teams begin to ponder how to add profit. [6] Even though Deng Xiaoping never mentioned the idea of rebuilding personal ownership, he sticks to similar ideas, that is to effectively protect the individual democratic rights of workers and peasants; we should not only make workshop manager but also every worker and peasant be responsible for production[7].

At the same time of Deng Xiaoping declaring his announcement, a farmer of Anhui adopted an ancient method of smearing the blood as a sign of the oath to sign the all-round contract. As a result, hundred of millions of peasants break the shackles of grand unification and get the long-term contract right for collective-owned land, ownership of other production goods, socialized production and management autonomy, gradually open and free market change right for products of labor, and more importantly, they get the villagers autonomy via competitive election which is never acquired by peasants for hundreds of years. The meaning is just like what Marx has said, 'As individuals, they begin to organize their power as social force which will never be separated and put individual development and moving condition under the control of joint labors.' [8]

However, it cannot be denied that household contract system combining centralization and decentralization is of great significance which yet also created profound lessons. The biggest lesson is that the unification of collective management is not practical while family management is separated. In some rural, the collective economy exists in name only. Typical examples are township enterprises started by collective assets, which are privatized in the course of so-called reconstruction and the collective land-use right controlled by insiders are cheaply sold to non-agricultural private capital so as to randomly change the land property and even agricultural transformation for non-agricultural purposes.[9] The reason why sky rocketing peasants throughout the world participate in joint petitions is that they want to get back the collective land right which is privatize by insiders.

The more serious consequence is that, all-round contract system does not fundamentally solve the problems of increasing peasants' income but makes them poorer for the long run and the widening income gap between urban and rural areas is an indubitable proof. [10] In the contrast, more than 8000 rural villages insisting on collective economy such as Hua Xi, Dou Dian, Han Cunhe, Liu Zhuang, Nan Jie, Shen Ba, Xing Shisi, and Da Lishu are richer than urban cities and Xiaogang villages while the special policies supported by government are excluded; several pocket-handkerchief of lands have severely restricted the development of intensive pattern of rural economy; small farmers of unshared housing become the vulnerable groups in market-oriented economy system and the objects of exploitation by powerful capital; besides, large and medium-sized water conservancy facilities built during the People's Commune Period are gradually abandoned without maintenance. Domestic mainstream theoretical circles nowadays throw up the slogan of organization is that they are afraid of fundamental problems restricting the development of Three Rural Issues.

### III. AUTHENTIC PROBLEMS IN THE TRANSITION TO NEW COOPERATION- POWERFUL CAPITAL ERODING VULNERABLE PEASANT HOUSEHOLD

Discussion on Some Crucial Issues Related to Rural Reform and Development published the third plenary session of the Seventeenth Central Committee underlines that the circulation of land contract and management right cannot change the nature of collectivity-owned land, cannot change the usage of land and cannot damage farmers' legal rights on land contract which are important principles which must be followed to implement the circulation of land contract and management right.

Even though domestic mainstream theoretical circles repeatedly call the slogan of organization, the problem is that how to organize and create organization forms so as to ensure the above important principles shall be a benefit game. There is a dazzling array of benefit objects: non-agricultural or agriculture private enterprises, local powerful households, agricultural science institutions and scientific personnel, village-level administration organizations, village-level two committees cadres, trading cooperative, and common peasants etc. As basic interests objects, poor peasants' consciousness, capital, knowledge, skills, information and communication are limited while enterprises and new powerful households have abundant resources.

Concerning the fact that modern farmer organization level is low and agricultural integration capital is in shortage, to mobilize social forces especially introducing social capital into farmer organization and agriculture industrialization can be deemed as unpalatable choices. The unpalatable choices along with grey benefits induce town government or two committees to try unremitting efforts to find powerful private capitals with peasant land contract and other collective-owned lands as lure in order to attract urban private capitals to realize the circulation mode of combining leading enterprises and retail investors. Even though, some areas have begun to change this tight mode according to the requirement of the third plenary session of the Seventeenth Central Committee, which mainly introduce cooperatives or associations between enterprises and peasants. However, enterprises' monopoly clauses on peasant have not been fundamentally changed. Such strong position actually reflects a new management mode for urban private capitals seizing peasants rather than urban cities feedback countryside.

Since 1990s and first half year of 2014, the circulation area of national land contract and management right is 380 million acres, occupying 28.8% of national arable land area. What is worth paying attention to is that among 3,670,000 professional households and 980,000 professional cooperatives, the main method to get the land is loan and transfer rather than self-organization, occupying 55.12% and 29.73%. In this occupation, there is no lack of administration force based on grey interest which lead to obvious non-agricultural land usage.<sup>[11]</sup> At the same time, the data of Liaoning province reveal that peasant land contract circulation only occupies 21.2% of family land contract<sup>[12]</sup>, lower than 7.6%. An important reason is that farmers are peremptory who tend to fight the capital plundering of administrative force because they complain that what can we do when all of them get the benefits?

Ren Yuling, consultant of the State Council once pointed out that the mode of combining enterprises and farmers cannot help farmers to make profits. The fact is that the retailing price is 10 times of purchasing price and transportation price, such violent plunder has been fulfilled that the agricultural processing, sales and transportation price shall be 3 to 10 times of the product value. Based on this, he suggests the central government to focus on the cooperation organization with farmers being the shareholder so as to help farmers double their profits. What's more, he also concluded after visiting Shandong and Jilin that the mode combining leading enterprises and farmers ignore the late interests of farmers. As a result, it will be difficult for farmers to create wealth.<sup>[13]</sup>

What is worth paying attention to is that the order mode combining leading enterprises and retail investors creates the problems that leading enterprises exploit vulnerable retail investors and cheat on honest retail investors. This mode is actually capital plundering revealed in So-called Original Accumulation written by Marx. Besides, breeding coypu, long hair rabbit, aloes and opuntia milpa alta which takes order as the selling point can reveal the nature of this mode.

### IV. DEVELOP VARIOUS FORMS AND GRASP THE BASIC FORM

Opinions on guiding the effective circulation of rural land management rights and developing optimum-scale farm management published by the State Department in 2014 points out to stick to the collective ownership system of rural land in China and realize separation of the three powers including ownership rights, contract rights, and management rights so as to guide the orderly and effective circulation of land.

The key to realize the orderly and effective circulation of land is to develop various forms and grasp basic forms. Main forms include the following: leading enterprises plus retail investors; powerful households plus small family; enterprises plus associations plus professional organizations plus farmers; mode led by township agricultural technical services departments; endogenous establishment of collective economic organization; establishment mode cooperated by two committees cadre; establishments; mode established by trading cooperatives; farmers voluntary combinations etc. Among which, the most vulnerable shall be the voluntary combinations, which however should be the grasp form to realize the land circulation or second leap. The reason is that voluntary combinations are dynamic with creativeness. Along with the deepening of agriculture industrialization and the unified design between the city and the countryside, tendency of new cooperative, increasing input on agriculture, accumulated experience of farmers, and team expansion of those who are familiar with culture technique and management skill, more and more farmers shall change from passive one to do for themselves, and traditional farmers to modern ones so as to control their own life and run by themselves.

### V. CONCLUSIONS

To conclude, based on China's basic economic system, we have to not only introduce social capital to peasant special cooperative organizations but also prevent the

condition that private capitals controlling peasant special cooperative organizations from the perspective of legal policies so as to guarantee peasant's cooperative will and their dominant position;

All level governments should take developing cooperation organization with farmers as the shareholders as a basic strategy to on the one hand, respect peasants' personal ownership of self-organization and on the other hand, create the condition of combination and heter-organization for peasants to fulfill personal ownership of self-organization to have mutual development;

Realize two leaps between self-organization and heter-organization, teach peasants to fundamentally solve three agricultural issues.

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