Land reforms have been critical to the development of Chinese capitalism over the last several decades, yet land in China remains publicly owned. This book explores the political logic of reforms to landownership and control, accounting for how land development and real estate have become synonymous with economic growth and prosperity in China. Drawing on extensive fieldwork and archival research, the book tracks land reforms and urban development at the national level and in three cities in a single Chinese region. The study reveals that the initial liberalization of land was reversed after China’s first contemporary real estate bubble in the early 1990s and that property rights arrangements at the local level varied widely according to different local strategies for economic prosperity and political stability. In particular, the author links fiscal relations and economic bases to property rights regimes, finding that more “open” cities are subject to greater state control over land.

Meg E. Rithmire earned her Ph.D. in Government from Harvard in 2011 and joined the faculty of Harvard Business School as an Assistant Professor in the Business, Government, and International Economy Unit, where she primarily teaches political economy. She was a Fulbright Scholar in China in 2007–8.
Advance Praise for Land Bargains and Chinese Capitalism

“China’s remarkable development in the last two decades has taken place in ways that notoriously confound many Western assumptions about the way that states, markets, and intermediate institutions should relate to one another to produce growth. As Meg Rithmire shows in this fascinating and remarkably well-researched book, an especially important yet utterly counterintuitive area in the political economy of Chinese development has been the problem of property rights, where, despite the fact that the state officially owns all land, enormous, vital, and innovative markets for its use have grown up all over the country. Rithmire’s book lays out the historical peculiarity and broad political and economic significance of landed property governance in China’s transformation since the 1980s. Her general argument for the whole of China is then contextually fleshed out with three detailed studies of property politics in the northern cities of Dalian, Harbin, and Changchun. Anyone wanting to understand the dynamics of growth in contemporary China, or, indeed, anyone interested in shaking up their deepest assumptions about what is possible in the development process, will benefit greatly by consulting this rich and informative book.”

Gary Herrigel, University of Chicago

“Rithmire’s work tackles the most important socioeconomic-political phenomenon in contemporary China: urban transformation. She combines careful conceptualization and detailed case studies to explain patterns of urban changes that have impacted the lives of hundreds of millions of people. Through a mix of careful documentary research and in-depth interviews, Rithmire offers convincing and engrossing historical institutional accounts of urban transformation in some of China’s most important cities. For any student of contemporary China, this is a must-read.”

Victor Shih, School of International Relations and Pacific Studies, University of California, San Diego
Land Bargains and Chinese Capitalism

The Politics of Property Rights under Reform

MEG E. RITHMIRE
Harvard Business School
For my parents, Maxine Rithmire and Jack Bertram
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Meg E. Rithmire
Boston, Massachusetts
Abbreviations

BLPM  Bureau of Land Planning Management
CCP   Chinese Communist Party
CNR   China National Rail Corporation Ltd.
DDA   Dalian Development Area
DRC   Development Research Center of the State Council
ETDZ  Economic and Technology Development Zone
FAI   fixed-asset investment
FAW   First Automobile Works
FIE   foreign-invested enterprise
FDI   foreign direct investment
FYP   five-year plan
GRP   regional GDP
GVIO  GDP and industrial output
HMA   Heilongjiang Municipal Archives
KMT   Guomindang
LMB   Land Management Bureau
MBIC  Municipal Bureau of Industry and Commerce
MLR   Ministry of Land Resources
MoC   Ministry of Construction
NBS   National Bureau of Statistics
NDRC  National Development and Reform Commission
NIE   new institutional economics
PBoC  People’s Bank of China
PLA   People’s Liberation Army
PRC   People’s Republic of China
PSB   Public Security Bureau
REB   Real Estate Bureau
SEZ   special economic zone
Abbreviations

SOE state-owned enterprise
SPC State Planning Commission
TVE township and village enterprise
UPB Urban Planning Bureau
Glossary

banqian 搬迁
relocation
baoshuiqu 保税区
tax-free zone
beifang Xianggang 北方香港
make Dalian the “Hong Kong of the North”

chai 拆
demolition
dchaiqian banqian 拆迁搬迁
demolition and relocation
Chengshi guihuaju, 城市规划局
Urban Planning Bureau
churang 出让
paid transfer, land conveyance
difangzhi 地方志
Urban Planning Bureau
dingzihu 钉子户
guage kaifang 改革开发
reform and opening
gao xinqu 高新区
high-tech new zone
gaoxinqu 高开区
high-tech park
geti 个体
private
geti hu 个体户
individual laborers
guihua 规划
land-use plan
huafu 划发
administrative allocation
hukou 户口
urban citizenship
jiedao 街道
neighborhood
jiedao banshichu 街道办事处
street office
jihua 计划
[economic] plan
jihua danlie chengshi 计划单列城市
central economic city
jingji tequ 经济特区
special economic zone
jingji zhubang 经济住房
economic housing
kaifaqu 开发区
smaller development zone within a city
lao gongye jidi 老工业基地
“old industrial base”

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Glossary

liudong renkou 流动人口  floating population
nianjian 年检  yearbook
paimai 拍卖  auction
penghu 棚户  slum
penghuqu 棚户区  shanty town
shangpinhua 商品化  commodification
shiqu 市区  urban district
suoyouquan 所有权  ownership
tudi caizheng 土地财政  fiscalization
xiaqu 小区  residential neighborhood, apartment community
xieyi 协议  negotiation
xinfang shangfang 信访上访  letters and visits
weifang 危房  slum
yanhai kaifang chengshi 沿海开放城市  coastal open city
yi digai cu qigai 以地改企改  use land reform to encourage enterprise reforms
yitu shengcai 以土生财  make money by developing land
yiqi 一汽  First Automobile Works
youxian gongsi 有限公司  limited liability company
yusuannei shouru 预算内收入  budgetary revenues
yusuanwai shouru 预算外收入  extrabudgetary revenues
zhaobiao 招标  bid invitation
zhengyong 征用  state acquisition
zhenzxing Ha'erbin 振兴哈尔滨  “rejuvenate Harbin”
zhuada fangxiao 抓大放小  grasp the large and release the small