

UCLA
Working Papers

Title

Compensation for Compulsory Land Acquisition in China: to Rebuild Expropriated Farmers' Long-Term Livelihoods

Permalink

<https://escholarship.org/uc/item/5qz0x0wh>

Authors

Zhang, Xueying
Lu, Haiyuan

Publication Date

2011

**COMPENSATION FOR COMPULSORY LAND ACQUISITION
IN CHINA: TO REBUILD EXPROPRIATED FARMER'S
LONG-TERM LIVELIHOODS**

by

Xueying Zhang

School of Economics and Management,
Tianjin University of Technology and Education

Haiyuan Lu

Department of Rural Social Insurance,
Ministry of Human Resources and Social Security of the
People's Republic of China



INSTITUTE FOR RESEARCH
ON LABOR AND EMPLOYMENT
UNIVERSITY OF CALIFORNIA, LOS ANGELES

**Compensation for Compulsory Land Acquisition in China: to Rebuild
Expropriated Farmers' Long-Term Livelihoods**

by

Xueying Zhang

(School of Economics and Management, Tianjin University of Technology and Education)

Haiyuan Lu

(Department of Rural Social Insurance,

Ministry of Human Resources and Social Security of the People's Republic of China)

January, 2011

Compensation for Compulsory Land Acquisition in China: to Rebuild Expropriated farmers' Long-term Livelihoods

Xueying Zhang & Haiyuan Lu¹

Abstract: In China, compulsory land acquisition is an activity dominated by the government transferring the land ownership from collective owned to state owned. The compensation for expropriated farmers is the core issue in this process. Different from those experiences of developed countries, the range of compensation in China is not determined on the basis of the market price of land since there is no market for land ownership trading. After land acquisition, the government gets high land grant fees from granting land-use rights to developers. Land grant fees functions as the market price of land. Compensation for expropriated farmers is only a small part of it. According to our estimation, the number of expropriated farmers is larger than 83 million. Expropriated farmers are exposed to the risk of future impoverishment with inadequate compensation and they may even turn into members of the most vulnerable group. Therefore, there are a lot of concerns about them. In this paper, we advance four arguments. First, it is very difficult for expropriated farmers to fulfill the transformation from farmers to real urban citizens

¹ Xueying Zhang, School of Economics and Management, Tianjin University of Technology and Education, Tianjin, 300222, E-mail:zxxyee@126.com; Haiyuan Lu, Department of Rural Social Insurance, Ministry of Human Resources and Social Security of the People's Republic of China, Beijing, 100716. Financial support from MOHRSS (Ministry of Human Resources and Social Security of the People's Republic of China) foundation (No.RS2009-25).

under insufficient compensation, even though they live in storied buildings and do not work on their land. The current compensation standards should be improved according to the potential value of the land in order to make them wealthy, because income generation is the key factor in their integration into urban civil society.

Second, the goal of compensation is to rebuild a basis for the farmer to pursue a sustainable livelihood and the compensation should cover the total social costs of resettlement. A lump sum payment cannot inherently solve the sustainable livelihood problem because it is only wealth stock not the income flow. To support their long-term livelihoods, added forms of assistance for their future income flows are necessary. Third, ways for expropriated farmers to get income flows include: integrating them into the social security system, holding stable non-agriculture jobs, and possessing more apartments. If future compensation and settlement covers both their loss of wealth stock and facilitates their income growth, both their short-term and long-term lives can be guaranteed in theory. Finally, special help is needed to assist them in planning their use of compensation fees on their long-term livelihoods.

Key words: Compulsory land acquisition, Expropriated farmers, Compensation, Long-term livelihood

1. Introduction

Cities and urbanization are critical to the success of modernization according to the international experiences. More generally, cities are the engines of growth. In China, a country with a large portion of peasants, urbanization is considered to be a very critical way to solve the agricultural problems. China has experienced more than two decades of rapid urbanization; the level of urbanization has increased from 17.9% in 1978 to 46.6% in 2009. It is estimated that rapid

urbanization will continue, and most likely accelerate, over the next two decades or so, and the level is expected to be 52% by 2015 and 65% by 2030 (Pan & Wei, 2010).

Experiences from developed countries show that compulsory acquisition of land is historically inevitable in the process of urbanization, since land is necessary for urban expansion. Farmers receive adequate compensation for land loss and become workers in urban manufacturing industries. As a result, more and more rural labor moves from under-employment in low-productivity rural activities to full employment in higher productivity urban manufacturing activities. Rural population decreases and urban population increases in this process. Similarly, a new group, expropriated farmers, appears and keeps growing into larger and larger group during the past three decades of high-speed urbanization in China as the government expropriates their land for non-agricultural uses in the name of public interests. The number will be even greater according to the estimation that 65% of the population will live in cities in 2030.

In this paper we want to highlight that it's very difficult for Chinese expropriated farmers to fulfill the transformation from farmers to workers without any outside help. As they cannot get decent non-agricultural jobs, it is still long overdue for them to integrate into urban society. In fact, they cannot rebuild long-term livelihoods themselves after land loss. On the one hand, the compensation fees are much lower compared with the higher living costs in cities. They give up the rural lifestyle involuntarily but cannot afford the urban one. On the other hand, most of them are not qualified for non-agricultural jobs because of the lack of skills necessary for non-agricultural jobs. Eventually, they are marginalized by both rural and urban residents. Thus they are called expropriated farmers, a special group still possessing the features of farmers but having none or much less land to cultivate.

Expropriated farmers live much tougher lives than even the rural migrants to cities. Rural migrants are farmers working in non-agricultural areas and still have land in their hometowns. They are much affluent farmers because they can get income flows both from non-agricultural jobs and from agricultural production. If they fail to find a job, they can go back home to continue with agricultural production. In contrast, if expropriated farmers fail to find a job, they lose their lasting income flow in addition to having no land to cultivate. Because they can rely on very little to guarantee their future livelihoods, they are already one of the most vulnerable groups in contemporary China.

Most of the countries in the world believe in “complete compensation” or “just compensation”, i.e., compensating the farmers for all of their direct and indirect loss caused by land acquisition. Theoretically, the land property value should be evaluated by the market. The farmers lose ownership of the land forever after expropriation, so the compensation fees should be the capitalization of the undated income of land (Peng & Li, 2006). In China, the government expropriates and grants the land-use right of the collective land to potential users and gets the land grant fees at the same time. Then it uses the land grant fee to compensate the landless farmers. In other words, how much farmers gain depends on the amount of the land grant fees. In theory, the land grant fee is the reflection of the price of land-use right granting and is determined under market conditions and based on the new purpose of the land. However, according to China’s **Land Administrative Law**, the compensation fee should be made according to the original purposes of the land expropriated which is far below the land grant fee. The huge gap between the land grant fee and the compensation fee encourages the government to compensate expropriated farmers at the lower limit of compensation standards. As a result, more and more conflicts have resulted from this inadequate compensation. It is estimated that 70% of

the petition cases are raised by expropriated farmers due to inadequate compensation (Lu, 2009).

Many concerns have been addressed in determining the compensation fees on the basis of market value of land acquisition. However, land is state-owned and collective owned in China. There is no actual land ownership for farmers and no real market for land ownership trading. The primary market of the land-use right granting is monopolized by the government (Yang & Yang, 2005). In our opinion, it is the responsibility of the government to improve compensation fees and resettle expropriated farmers fairly. The purpose of this paper is to address the following two questions: What is the goal of compensation for expropriated farmers? How does the government assist them in rebuilding sustainable livelihoods in the long run? The intensive contribution of this paper is the framework of compensation and resettlement for rebuilding the sustainable livelihoods for expropriated farmers through employment, housing, and integration into the social security system.

The paper is organized as follows. Section 2 is devoted to the calculation of the number of Chinese expropriated farmers. The current framework of compensation for compulsory acquisition of land and the survival condition of expropriated farmers are presented in Section 3. Then reasons why they are exposed to the risk of uncertainty of future lives are revealed. In Section 4, we present the international experiences of compensation for compulsory land acquisition. In this section we also present the goal of compensation for Chinese expropriated farmers and show problems with the empirical compensation and resettlement. In the next section, we highlight several issues that require policy maker's attention in order to rebuild long-term sustainable livelihoods through employment, housing, and the social security system. Section 6 is focused on suggestions for dealing with the short-sightedness of expropriated farmers with respect to the spending of their compensation fees. The last section of the paper

contains our conclusions.

2. How Many Expropriated farmers are there in China Now?

China's Reform and Opening Policy began in 1978. However, we cannot get the specific data during 1978-1998 from the government due to institutional reform and incomplete statistics. Statistical Yearbooks by MLR (**Ministry of Land and Resources of the People's Republic of China**) only estimated that more than 45 million expropriated farmers appeared during 1999-2008 (Table 1). In this paper we try to estimate the total number of expropriated farmers during 1978-2008 according to the international experience that **1 million m² lands will be needed to transform 10 thousand rural people into urban people and according to China's experience in 2003 that 1.43 farmers lose land if 1 Mu land is expropriated.** Thus, the total number of expropriated farmers is estimated to be 73.612396 million (Table 2).

Table 1: The Official Data of Expropriated farmers during 1999-2008 from MLR (Ministry of Land and Resources of the People's Republic of China)

Year	Total Population (year-end) (10 000 persons)	Area of Cultivated Land (year-end) (100 million Mu)	Per Capita Area of Cultivated Land (year-end) (Mu)	Area of Cultivated Land Used for Construction (year-end) (10 000Mu)	Expropriated farmers (10 000 Persons) ¹
1999	125786	19.38	1.54	307.89	440.2827
2000	126743	19.24	1.52	244.89	350.1927
2001	127627	19.14	1.50	245.48	351.0364
2002	128435	18.89	1.47	294.75	421.4925
2003	129227	18.51	1.43	343.66	491.4338
2004	129988	18.36	1.41	439.21	628.0703
2005	130756	18.31	1.40	318.17	454.9831
2006	131448	18.27	1.39	387.80	554.5540

2007	132139	18.26	1.38	282.43	403.8749
2008	132802	18.26	1.37	287.40	410.9820
累计				3151.68	4506.9024

¹ The number of landless farmer is estimated by the equation that 1.43 farmers will lose land if 1 Mu land is expropriated. 1.43 is an average level calculated in 2003. In fact, this data is very different every year: it was lower than 1.43 before 1995 and higher than that after 2003.

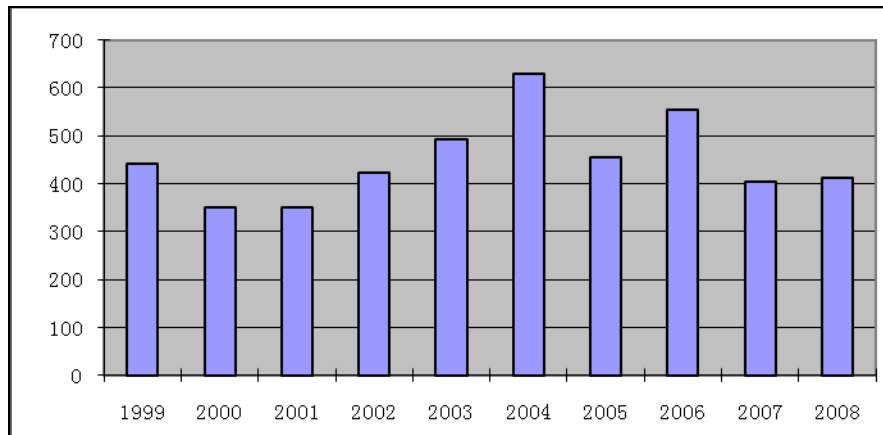


Figure 1: The Number of Expropriated farmers Each Year during 1999-2008 (10 000 Persons)

However, 73.612396 million is still not the real number. In Table 2, the number of expropriated farmers during 1999-2008 is around 35.75858 million in theory, while the real number is 45.069024 million estimated by MLR (Table 1). It is obvious that there is a big gap between the statistical data from MLR and our estimation. We find that our more realistic estimation of Chinese land use exceeds that of the international standard. Almost 26.3% $[(3151.68 - 2500.60)/2500.60]$ more land has been used in Chinese urbanization [3151.68 is the real number of land use during 1999-2008 (see Table 1) and 2500.60 is the number of that in theory (see Table 2)]. If we apply the real data of expropriated farmers during 1999-2008 (Table 1), the total number during 1978-2008 is adjusted to be 82.922844 million. If adjusting all the data during 1978-2008, the number would be 92.809909 million $(5138.72 * 1.263 * 1.43)$. If illegal land

expropriation and the long-term renting were included, the real number would be even higher. Therefore, our estimate that over 83 million expropriated farmers appeared during 1978-2008 is very compelling data (Lu, 2008).

Table 2: The Number of Expropriated farmers during 1978-2008 Calculated according to the Urbanization Levels

Year	Total Population (year-end) (10 000 persons)	Urban Population (year-end) (10 000 persons)	Proportion of Urban Population (year-end) (%)	Growth Rate of Urban Population (year-end) (%)	Per Capita Area of Cultivated Land (year-end) (Mu)	Cultivated Land Expropriated (year-end) (10 000 Mu)	Expropriated farmers (10 000 Persons)
1978	96259	17245	17.92	0.37	1.55	52.71	75.3753
1979	97542	18495	18.96	1.04	1.53	150.16	214.7288
1980	98705	19140	19.39	0.43	1.51	62.91	89.9613
1981	100072	20171	20.16	0.77	1.49	114.01	163.0343
1982	101654	21480	21.13	0.97	1.46	145.60	208.2080
1983	103008	22274	21.62	0.49	1.43	74.72	106.8496
1984	104367	24017	23.01	1.39	1.41	214.77	307.1211
1985	105851	25094	23.71	0.70	1.37	109.57	156.6851
1986	107507	26366	24.52	0.81	1.34	128.61	183.9123
1987	109300	27674	25.32	0.80	1.32	129.01	184.4843
1988	111026	28661	25.81	0.49	1.29	80.34	114.8862
1989	112704	29540	26.21	0.40	1.27	66.62	95.2666
1990	114333	30195	26.41	0.20	1.26	33.81	48.3483
1991	115823	31203	26.94	0.53	1.24	90.89	129.9727
1992	117171	32175	27.46	0.52	1.22	90.34	129.1862
1993	118517	33173	27.99	0.53	1.20	93.15	133.2045
1994	119850	34169	28.51	0.52	1.19	92.44	132.1892

1995	121121	35174	29.04	0.53	1.18	95.28	136.2504
1996	122389	37304	30.48	1.44	1.59	261.62	374.1166
1997	123626	39449	31.91	1.43	1.58	262.52	375.4036
1998	124761	41608	33.35	1.44	1.56	289.04	426.1972
1999	125786	43748	34.78	1.43	1.54	267.61	382.6823
2000	126743	45906	36.22	1.44	1.52	271.70	388.5310
2001	127627	48064	37.66	1.44	1.50	273.76	391.4768
2002	128453	50212	39.09	1.43	1.47	273.76	391.4768
2003	129227	52376	40.53	1.44	1.43	277.42	396.7106
2004	129988	54283	41.76	1.23	1.41	238.42	340.9406
2005	130756	56212	42.99	1.23	1.40	239.83	342.9569
2006	131448	57706	43.90	0.91	1.39	178.48	255.2264
2007	132129	59379	44.94	0.74	1.38	197.17	281.9531
2008	132802	60667	45.68	0.92	1.38	282.45	403.9035
累计						5138.72	7361.2396

¹ The number of expropriated farmers is estimated by the equation that 1.43 farmers will lose land if 1 Mu land is expropriated. While 1.43 is only an average level calculated in 2003. In fact, this data is very different every year: it was lower than 1.43 before 1995 and higher than that after 2003.

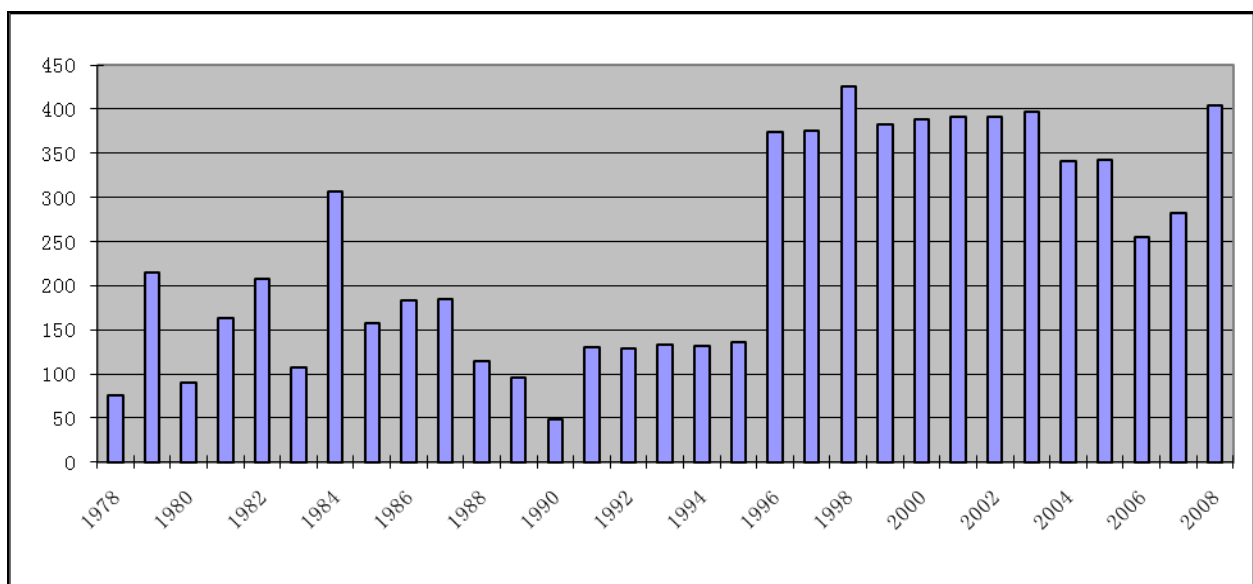


Figure 2: The Number of Expropriated farmers Each Year during 1978-2008 (10 000 Persons)

According to the former MURCEP (**Ministry of Urban and Rural Construction and Environmental Protection**), the standards of land use in urban planning range from 60.1 m² to 120 m² per capita. The government usually considers 80 m² per capita as the amount that should be executed. While according to the research of Tan and Li (2010), the real data is 155 m² per capita, which shows that almost all of the cities have already broken the upper limit of 120 m² per capita. Fifty-five percent of land expropriated is not necessary. Thus we can see that many of the 83 million expropriated farmers result from inefficient land use.

Table 3: The Classification of Built-up Areas Per Capita for Urban Planning

Classification	Built-up Areas Per Capita (m ² /person)
I	60.1-75.0
II	75.1-90.0
III	90.1-105.0
IV	105.1-120.0

3. Compensation for Land Acquisition and the Survival Condition of Expropriated farmers in China

What does Compensation for Land Expropriated include in China?

Article 47 of China's **Land Administration Law (1998)** provides clear compensation principles and compensation standards in land acquisition. "Compensation should be made according to the

original purposes of the land requisitioned. The total compensation fees for cultivated land requisitioned include land compensation fee, resettlement fee, compensation for the above-ground buildings and other attached objects, and compensation for green crops on the land. Land compensation fee is 6-10 times of the average annual output value three years preceding the expropriation. The resettlement fee shall be calculated according to the agricultural population to be resettled, and it shall be 4-6 times the average annual output value for the three years preceding the requisition of the cultivated land. The standards for land compensation and resettlement fee for other purposes of land requisitioned shall be determined by various provinces, autonomous regions and municipalities in reference to the land compensation fee and resettlement fee for cultivated land requisitioned. But the combined total of land compensation fee and resettlement fee shall not exceed 30 times the average output value for the three years prior to land requisition". Then it is provided by the Ministry of Land and Resources of the People's Republic of China in 2004 that the local government shall subsidize expropriated farmers using the land grant fee if 30 times the average annual output value can still not restore their original living standard. So far the limit of **30 times of the average annual output value** is broken for the first time. In 2007, the combined total of land compensation fee and resettlement fee was raised to 30 times the average output value for the three years prior to land acquisition.

In China's practice, compensation standards are usually made according to the original purpose of land expropriated (Liu, 2007). That is, if the original land is cultivated land, it will be compensated according to the standards of cultivated land expropriated. If it is forest land, it will be compensated according to the standards of forest land. If it is barren hills and has no revenues, it will not be compensated. In theory, the total compensation fees should include both the value of land as a resource and its market price, but it is obvious that more attention has been paid to

the type of resource the land yields meanwhile the value of the land is neglected. Thus the total compensation fees are, in fact, much lower than what they should be. In addition, the compensation standards range from 10 times the average annual output value for the three years preceding the expropriation to 30 times that, which has left much more room for local governments to execute the lower compensation.

There are several forms of compensation and settlement for expropriated farmers in China, for example, purely financial resettlement, resettlement with job, resettlement of endowment insurance, and so on. Financial resettlement, the lump sum compensation, is the key one among them, and it is adopted by almost 90 % of the land acquisition projects. It is easy to be distributed by local governments and accepted by expropriated farmers at the same time. However, it is not an appropriate way for expropriated farmers to receive this type of compensation because it doesn't cover the whole social cost of their resettlement (Zhang & Lu, 2006). In other words, the current compensation and resettlement standards are not enough to rebuild their long-term sustainable livelihoods.

The Quality of Life of Expropriated farmers

Some of expropriated farmers are faced with deterioration in recent quality of life and with uncertainty for their long-term livelihoods. On the one hand, their income declines after land requisition because they cannot get a non-agricultural job easily. According to the survey of **Zhejiang Bureau of Statistics** in October 2003, the annual per capita net income of expropriated farmers is only 3,590 Yuan, which is down 18.4 % from the pre-land acquisition. Farmers whose land has been expropriated completely are faced with an even sharper decline in per capita net income, down by 21.9 %. The number of lower-income households whose per capita net income

is lower than 3,000 Yuan increases from 23 % before the land acquisition up to 41 % after that; those whose per capita net income is between 3,000 and 5,000 Yuan decreases from 52 % down to 37 %; those whose per capita net income is above 5,000 Yuan decreases from 25 % down to 22 % (Li, 2004). On the other hand, there is a substantial increase in consumption spending as they live in cities or live without land. The increase of living cost results from the monetization of food, utilities of living in cities, property management fees and urban transport fees (Zeng, 2006). Thus the loss of land means the loss of guarantee of basic livelihood. According to the survey of **Rural Investigation Team of National Bureau of Statistics** in 2003, the percentage of increase in the households' expenditures is more than that in per capita income after land acquisition, and the gaps between them in eastern, central and western areas are 8.45 %, 29.95 %, and 15.05 % respectively.

Some expropriated farmers enjoy short-term affluence but lack long-term plans for using the lump sum compensation fees and lack vision for their future livelihoods. They believe that the current consumption will bring them high utilities and tend to improve their living conditions by spending the compensation fees on purchasing houses, household appliances, motorcycles, luxurious cars, and other fixed assets. They suddenly appear to be more affluent in the short term; meanwhile the limited compensation fees lose the possibility of value increment. As a result, they can only enjoy a short-term prosperity for 4-5 years and then are exposed to the risk of lacking long-term livelihoods because of their short-sightedness and long-term unemployment (or unstable employment). Therefore, many of them eventually encounter poverty.

It is reported that the compensation fees are usually higher near the suburbs than outside the suburbs. Higher compensation fees in some areas have given birth to a group of rich expropriated farmers. They become affluent with compensation fees and have no pressure to survive even

though they have difficulty finding non-agricultural jobs. According to the survey of Luo (2007) in Changsha city of Hunan province in 2007, they are featured with the following characteristics. Firstly, they are young; 21-35 year old people account for 67 % of the total; the average age is 28.7 years old. Secondly, 63 % of them have a lower education level; at or below middle school. Thirdly, they lack the skills necessary to find non-agricultural jobs, and 77 % of them do not have any special expertise. Fourthly, they change jobs very frequently, and 70 % of them have never worked. Some of them have changed jobs about six times within a month. Fifthly, they have higher expectations for future jobs. For example, they want to work in Party and Government Organizations or state-owned enterprises. They are interested in the executive positions and expect a higher monthly salary, nearly above 1,000 Yuan (in fact, 83 % of them even unrealistically expect that their monthly salary will be higher than 1,500 Yuan, which is the same as the base salary of college graduates). Sixthly, they are faced with less pressure from unemployment because 87 % of such households have stable income from the lump sum from the government compensation and 13 % of them are affluent. Last but not least, they are idle at home doing nothing productive, only killing time by playing cards, watching TV, surfing the internet, etc. High level compensation fees are not helpful to their long-term livelihoods. Many of them have no long-term plan for how to use this big fortune. They consume it in a very luxurious way and do not know how to invest it to make it grow over time.

The Employment Status of Expropriated farmers

After land acquisition, expropriated farmers may become migrant workers searching for jobs in non-agricultural areas, may continue with agriculture production, may just sit idle at home without a job, may get a job under the land-for-employment program, or may operate their own

business. The above forms of employment can be divided into two categories: the self-employed and the being-employed. The self-employed refers to expropriated farmers who operate small private businesses themselves, such as small stores, street vendors, and small handicrafts. 40.7 % of expropriated farmers are self-employed after land acquisition. The being-employed refers to those who seek jobs in non-agricultural areas aiming to become workers. They are often employed in private enterprises, collective enterprises and even foreign-funded enterprises (Ye, 2007).

Meanwhile, many expropriated farmers are jobless after land acquisition. According to the survey in 28 provinces (municipalities) of **Rural Investigation Team of National Bureau of Statistics** in 2003, 20 % of expropriated farmers in rural households with cultivated lands less than 0.3 Mu, are idle at home. The survey result of Yan and Fu (2005) shows that almost 15-30 % of them are unemployed and their unemployment has become more common recently. It is reported that even in the economically developed Zhejiang province, their unemployment rates in Shaoxing, Ningbo, Hangzhou are as high as 16.9 %, 19.16 %, 28.7 % respectively; while the number is almost up to 30 % in Fuzhou City of Fujian province.

Reasons for Lacking Long-term Livelihoods

We argue that expropriated farmers have a risk of finding a continuing employment even if they may have a job after land acquisition, and they are faced with uncertainties in how to make a living in the future because there is an internal connection between their land loss and their unemployment (Li, 2009; Ma, Zhang, & Peng, 2004). Land is the basic productive asset for Chinese farmers: no land means lack of job. They need to be employed especially in non-agricultural areas to get the connection between work in a nonagricultural job and a stable

income flow to support their long-term survival (Zhang, & He, 2004). However, it is much more difficult for them to get new stable decent jobs and some of the jobs they take initially may become obsolete or eliminated. The reasons are as follows.

Firstly, most of the above jobs are unstable since some enterprises will be eliminated due to technological progress and local governments crack down on street vendors. Thus they cannot get sustainable income flows and their long-term livelihoods lack strong support. The current compensation and resettlement plans offer very limited employment capacity for expropriated farmers. One of the traditional ways of resettlement is **Land-for-Employment**, where the acquiring agencies or the project developers are responsible for offering non-agricultural jobs to the displaced. One problem here is that the number of jobs offered is always less than the number of people waiting for jobs. Therefore, some of them are in fact underemployed temporarily even though they are hired after land acquisition. Faced with the market-oriented changes in labor markets, they are exposed to the risk of future unemployment. It is reported that over 90 % of the landless farmers firstly recruited by the acquiring agencies have been laid off (Lian, 2004). Another way of offering jobs through TVEs (Town and Village Enterprises) financed by the compensation fees hasn't resulted in satisfactory employment because TVEs themselves cannot adapt to the market economy well and many of them go bankrupt eventually. As a result, most of them are faced with **a second time job searching**.

Secondly, expropriated farmers have issues of insufficient skills necessary for the being-employed jobs. They have been specializing in agricultural production for many years. Some of them live in the city fringe and can get more income even though they are foreign to non-agricultural jobs before land acquisition. They do not possess the skills necessary due to lack of education, experience or opportunity. It is reported that 61.3 % of the young expropriated

farmers only receive education at or below middle school level (another survey in Jiaodong city of Shandong province shows that this proportion is actually larger than, up to 80 %) (Li, 2007; Chen, 2008), 88.2 % of them lack skills demanded by technological jobs (according to the survey of Zhang Shifei in Jianggan of Hangzhou city of Zhejiang province in 2001) (Zhang, Tang, & Zhan, 2004). They are only suitable for jobs with simple manual operation or simple repetitive operation. In fact, industrial workers can be divided into three levels (Lu, 2004): primary regulators of the secondary industry such as team and group leader, industrial workers with skills for the secondary industry such as electricians, blacksmiths, mechanics, etc., and unskilled workers of the second industry such as porters, track maintenance workers, construction workers and so on (Lu, 2004). Because these workers have no particular specialized skills, they are substituted easily. Thus, they will encounter a high frequency of unemployment. The young expropriated farmers can be trained to be skilled workers in the future. However, it is extremely difficult to train this age group (35-year-old females and 40-year-old males) for non-agricultural jobs. The efficiency of their investment in human capital is low as they are much older. In the economically developed provinces of Zhejiang and Fujian, the unemployment of expropriated farmers in 40-50 year olds accounts for 43 % of the total; those over 50 accounts for 35 % of the total and the unemployment rate of the female is 29.4 %. Meanwhile, the inadequate compensation fees make them lack money to invest in non-agricultural human capitals. As a result, some of them just stay idly at home, and some of them make a living through self-employment and some suffer unstable employment and lower income.

At the same time, their reservation wages are too high for them to find jobs in the urban labor market. The existing social security system possesses the feature of **Urban-Rural Dual System**, that is, most of them are not covered and some of those who are covered have a lower level of

security compared to urban citizens. The array of future risks for living without land cannot be fully covered by the current social security system. To manage these risks, they need strong financial supports. Usually, the reservation wage for non-agricultural jobs is much higher than migrant workers and some urban citizens. They eventually fall into the dilemma of higher reservation wage rate and lack job opportunities with lower level of non-agricultural human capitals. Even though sometimes they can get informal non-agriculture jobs, they cannot enjoy the national treatment that the traditional **hukou system** gives to the urban population. These informal jobs are typically odd jobs with lower pay, with long working hours, and with a dirty and risky environment. In addition, the current system of labor and employment offers preferential policies only for laid-off urban workers, while expropriated farmers are not under this favorable arrangement. As a result, they are at the disadvantages of job compensation in urban labor markets compared to both urban residents and migrant workers.

Meanwhile, expropriated farmers lack social capital for job searching in cities. Their original social networks are destroyed by displacement during land acquisition. Usually, it takes a long period of time for them to invest in new social capital in cities. However, it is very difficult for them to integrate into the urban society because they are strangers to urban areas and they are not welcomed by urban citizens.

Thirdly, expropriated farmers have issues of insufficient venture capitals for the self-employed jobs. Their lacking of skills and higher employment expectation make it hard for them to be the being-employed. Meanwhile, it is still difficult for them to be self-employed. On the one hand, they are originally poorer than urban citizens as their contribution is not as valued in China's developing heavy industry strategy. On the other hand, the decreasing income and the increasing consumption expenditure together result in the shortage of venture capital. In addition, the

current lower lump sum for financial compensation makes them affluent in the short run but it is very limited and can't support their future lives. Sometimes the land acquiring agencies cannot pay the compensation fees fully and timely, so even their short-term survival cannot be guaranteed, to say nothing of their long-term sustainability.

4. What Kind of Compensation for Land Acquisition is Enough to Rebuild Expropriated Farmers' Long-term Livelihoods?

Compensation for Compulsory Acquisition of land of FAO (Food and Agriculture Organization of the United Nations) and Some Developed Market Economy Countries

Eminent domain (United States), compulsory purchase (United Kingdom, New Zealand, Ireland), resumption/compulsory acquisition (Australia) or expropriation (South Africa and Canada) are actions taken by the state to seize a citizen's private property, expropriate property, or seize a citizen's rights in property with due monetary compensation, but without the owner's consent. As a direct result of compulsory acquisition, people lose their homes, their land, and at times their means of livelihoods. Compensation repays them for these losses, and should be based on principles of equity and equivalence. The principle of equivalence is crucial to determining compensation: affected owners and occupants should be neither enriched nor impoverished as a result of the compulsory acquisition. Most laws on compulsory acquisition broadly define equivalent compensation with reference to market value or just compensation (Shen & Wang, 2008; Liu, 2007). In the United States, the Fifth Amendment requires payment of just compensation, and American courts have held that the proper measure of compensation is fair market value, i.e., the price that a willing but unpressured buyer would pay a willing but unpressured seller for the subject property, with both parties fully informed of the property's

good and bad features. Also, this approach takes into account the property's highest and best use (i.e., its most profitable use) which is not necessarily its current use or the use mandated by current zoning if there is a reasonable probability of zone change. The compensation fees usually consist of two parts: land requisition expense and land compensation amount. Land requisition expense is equivalent to the market value of land expropriated and is paid according to its prevailing market price. Land compensation amount compensates for all kinds of losses resulted from land acquisition.

Financial compensation on the basis of equivalence of only the loss of land rarely achieves the aim of putting those affected in the same position as they were before the acquisition; the money paid cannot fully replace what is lost. In some countries, there is a legal provision recognizing this in the form of additional compensation to reflect the compulsory nature of the acquisition. In practice, given that the aim of the acquisition is to support development, there are strong arguments for compensation to improve the position of those affected wherever possible (FAO, 2008). Thus, the value for compensation should include more than the value of the land and improvements, and the resettlement plans should ensure that people do not face impoverishment when they are relocated to areas where their productive skills are less applicable and where competition for resources is higher.

In general, compensation should be for loss of any land acquired; for buildings and other improvements to the land acquired; for the reduction in value of any land retained as a result of the acquisition; and for any disturbances or other losses to the livelihoods of the owners or occupants caused by the acquisition and dispossession (FAO, 2008). The disturbance accompanying compulsory acquisition often means that people lose access to the sources of their livelihoods. This can be due to a farmer losing agricultural fields, a business owner losing a shop,

or a community losing its traditional lands. Compensation may be awarded for the disturbance or disruption to a person's life under certain conditions. Some countries allow for additional compensation for personal distress in recognition that the sale is not voluntary and people may be deeply emotionally, culturally, or spiritually affected by the loss of their land. In the United Kingdom and several Commonwealth countries, this element of compensation is based on the principle of "value to the owner". Regulations identify what types of losses can be quantified and compensated. Losses related to land and buildings are based on the "willing buyer, willing seller" model, while losses to livelihoods are specific to the people affected. In Canada, land acquisition is governed by federal or provincial statutes. Once property is taken, an owner is entitled to "be made whole" by compensation for: the market value of the expropriated property, injurious affection to the remainder of the property (if any), disturbance damages, business loss and special difficulty relocating. There is a similar compensation system in Japan. A number of other countries also provide for additional payments which may comprise a specific percentage of the claim, or be derived from some other measure such as the sale or rental value of the land (FAO, 2008).

Many international development banks have adopted policies and guidelines to protect people, especially vulnerable groups. For example, "Particular attention should be paid to the needs of vulnerable groups among those displaced, especially the landless, elderly, women, children, indigenous peoples and ethnic minorities (World Bank Operational Policy on Involuntary Resettlement)," and "Vulnerable groups should be provided with training or financial support if the acquisition results in the loss of their livelihoods (Inter-American Development Bank Policy on Involuntary Resettlement) ."

In some developed market economy countries (eg. Japan), social security funds are set up for

expropriated farmers, and all of them are brought into this social security system. This way helps lower the risks they will be faced with in the future. The social security system for expropriated farmers consists of minimum living security, pension, health insurance, access to education and training, and access to legal aid system. In the United States, the government attaches great importance to education and training of expropriated farmers to facilitate their job searching. Through improving their chance for reemployment, the government can reduce the payment of unemployment insurance. Many laws on education and training of expropriated farmers have been enacted since the 1960s. It is required in some states that expropriated farmers participate in some vocational training if they want to receive the relief benefits from the government.

The Goal of Compensation in China

Expropriated farmers, by definition, are a by-product of land acquisition in the process of urbanization all over the world. However, by exploring what happens to landless farmers in other countries, we can see that this situation does not necessarily result in an issue that expropriated farmers cannot survive easily. For example, in many developed market economy countries, the compensation standards for land acquisition are based on the fair market price of the land. Such high level of compensation can cover both the material and nonmaterial living costs without land and expropriated farmers do not become vulnerable. Generally speaking, the less social functions the land carries, the more developed the land market is, and the easier it is to compensate expropriated farmers.

In China, the situation is totally differently from that of the other developed countries. It is very difficult to compensate expropriated farmers as the land carries the functions of both wealth stock and income flows and the land is nearly a social security system supporting their short term

and long term livelihoods. Firstly, the land offers enough food for farmers and their families, meeting their needs for basic survival. Secondly, the land provides old-age security and it functions as a pension. The older farmers can transfer their rights to operate land to other family members or other farmers to get income flows to survive their later life. Thirdly, land functions as both the job and the unemployment insurance. On the one hand, agricultural production requires a lower level of skilled worker compared with other industries. Almost all the healthy laborers are qualified for jobs relative to agricultural production. On the other hand, when they are unemployed in cities or in non-agricultural areas these unskilled workers can continue to work on the land. Fourthly, land is the capital for expropriated farmers to get income flows. Last but not least, land offers public goods for the whole village. Most villages keep a considerable amount of land so that the local governments can get revenue to offer public goods, and relieve the farmers in poverty.

In addition, there is no market for land ownership trading in China and the compensation for land is insufficient. Many Chinese expropriated farmers have fallen into poverty from their initial affluence due to the lower lump sum payment and have become members of vulnerable groups over time due to this inadequate initial compensation.

In our opinion, expropriated farmers are experiencing great changes in their life style after their land is expropriated. They have no land, have to take part in non-agricultural production, and have to live in storied buildings. They cannot fulfill the transformation from a farmer to an urban citizen without outside help under inadequate compensation. We argue that the goal of compensation for compulsory land acquisition is to rebuild a basis for the farmer to pursue a sustainable livelihood without land. To rebuild sustainable livelihoods for them will smooth their way to be real urban citizens. The compensation for land should cover their loss of wealth stock,

the social security costs, and their labor income flows together in theory to cover their risks of living without land. Such a compensation system would promote the process of their transformation to real urban citizens.

Problems in Compensation in China

There are several inherent problems in the current compensation system in China. Firstly, expropriated farmers' loss of wealth stock has been underestimated. The current compensation based on the average annual value of agricultural products ignores the land's additional and potential values compared to the way other countries value their land(Chu, 2009). On the one hand, the compensation fees are calculated by several times the average annual output value ignoring the additional social security functions of land. On the other hand, the compensation is determined by the original purpose of the land ignoring the increment income they will get from the potential use of land after land acquisition. It is far behind the potential market value.

The land grant fee functions as the market price of the land in China. However, it is still not the actual land price. According to China's law, the land users must pay the land grant fee renewably if they want to extend the use of the land after their land-use right expires. As a result, over decades, the government acts as the owner of land-use rights and gets lasting income from land granting rather than expropriated farmers(Chu, 2009). Now the compensation is only a very small part of the first time land grant fee, and it is far less than the capitalization of the undated income of the land (Peng & Li, 2006). The loss of wealth stock from the loss of land-use rights is sorely underestimated.

Secondly, it is the landless farmer's current income not the market value of their land that determines the compensation. It just aims at not lowering expropriated farmers' current living

standard, maintaining the landless farmer's current income. However, they cannot stay in the countryside and must instead go to the city after their land is acquired. In the city, the compensation fees paid according to their current income are not sufficient to maintain a minimum living standard. They eventually become a vulnerable population; a new group of poor people living in cities. It is reported that 20 % of the people meeting the minimal standard of living in cities are expropriated farmers, and the number is even higher than 80 % in some particular areas (Li, 2008).

Thirdly, the social security system for expropriated farmers does not work well. **The Decision on Major Issues Concerning the Advancement of Rural Reform and Development**, issued in 2008, requires that land expropriation should obey the rule of “.....Guarantee before Land Acquisition.....” It requests that the new expropriated farmers be covered by the social security system sponsored by the land grant fee. Expropriated farmers in the past can join in the New Rural Urban Pension Scheme and Medical Scheme. Both of the above social security systems give lower compensation to expropriated farmers than to urban residents. But the difference between now and then is that the new expropriated farmers are covered in the system mandatorily, while many of expropriated farmers in the past were not protected in practice because they could choose whether or not to integrate into the social security system and many of them choose to give it up because of their short-sightedness.

Finally, both the governments and expropriated farmers are not interested in job training. Employment is one of the key ways to get income flow and then to build future sustainable livelihoods. To facilitate their job searching, the central government has already planned to raise funds for their job training, microcredit, soft loan and so on. However, it doesn't work well in practice. On the one hand, many expropriated farmers are not interested in the training offered by

the government even if they want and need to be trained and even when the training programs are free for them. On the other hand, many local governments consider that the compensation fees are enough for expropriated farmers to live on and it is not necessary for them to assist in their job (Conference on Land Acquisition and Social Security System for Expropriated farmers, 2009).

5. Compensation to Expropriated farmers in China Based on the Sustainable Livelihood

The current one-time compensation is a lump sum financial payment. It is a type of wealth stock and it makes expropriated farmers affluent in the short term. However, this practice begs the question: how can they generate new income flows to support their long term survival? Certainly they can survive very well for the first 4-5 years after land acquisition, but what about the next decades? What are they to do if they are sick? No more attention is paid to their livelihoods in the long run since the governments, the developers and expropriated farmers all focus on the compensation standards.

We argue that a lump sum payment inherently cannot solve the sustainable livelihood problem, so that added forms of assistance for their income flows are necessary. To get income flows, they need to be integrated into the social security system, assisted in job searching, and guided to proper housing. In Chinese tradition, a person cannot enjoy life until he/she gets his/her own house and a good job. Government should introduce measures to promote their employment and secure their housing to build sustainable livelihoods for them and make them wealthy. Wealth is the key factor for them to integrate into urban civil society. Higher compensation fees, a perfect set of social insurances, more apartments, and more job skills are key ways for them to be wealthy after land acquisition. In other words, compensation standards should be improved

according to the real social resettlement costs to facilitate their survival in cities (Zhang & Lu, 2006). The compensation standards should guarantee not only that the basic living standards will not decrease but also that three generations, including the present one will not fall into poverty in the future.

To Integrate Expropriated farmers into Social Security System

The governments should try much harder to cover all of expropriated farmers in the government's social security system and to improve the level of benefit so that they can manage risks in the future. In practice, a new type of endowment insurance system for expropriated farmers with Chinese characteristics has been built recently. Usually, the government requires that some of the land grant fee be reserved as funds for building expropriated farmers' social security funds, that is, funds for personal accounts come from the compensation fees and the rest comes from the national land grant fee. However, there are still some problems with the system. The most important and urgent issue is the shortage of pension funds due to inadequate compensation which causes the endowment insurance system to fail them in their old age. We argue that the high growth rate of industry has been supported by agriculture for decades under the government's policy. Farmers have sacrificed so much that they are left far behind the urban residents in terms of survival. Land acquisition offers an opportunity for the government to make expropriated farmers share the fruit of urbanization and industrialization with urban citizens. The Chinese government ought to undertake the main responsibility of compensation and settlement of expropriated farmers, especially the responsibility of offering them a proper social security system. It is the government's task to build up enough funds so that the payout is equivalent to that of urban residents and even fully funded. In addition, more items should be covered in their social security system. Now attention is put only on the endowment insurance system so they can

evade retirement risk, meanwhile their health risk and employment risk are seldom taken into account. Their sustainable livelihoods need a better social security system that consists of endowment insurance, unemployment insurance, health insurance, training for non-agricultural job skills, childhood education insurance and legal aid systems.

To Assist Expropriated farmers to Afford for More Houses as Their Assets

The government should guarantee the housing of expropriated farmers. Firstly, the minimum standards of shelter should be met. According to **Inter-American Development Bank Policy on Involuntary Resettlement**, “housing and service options, when included, will be appropriate for the social and cultural context and will, at the very least, meet minimum standards of shelter and access to basic services, regardless of conditions prior to resettlement.” Secondly, house renting can function as one of their lasting income flows. A new way of getting lasting income flows is necessary for their future existence and long-term livelihoods after they lose income from the land. In our opinion, it is an option for them to live on house renting as they have difficulty in getting non-agricultural jobs. The government should enhance their purchasing power for more apartments through enhancing the compensation fees and lowering the price of apartments. If they can afford a second and even a third apartment, they can ensure lasting property income for long-term livelihoods. Thirdly, if they are directed to apartments that are appropriate for their social and cultural context, they can live comfortably and conveniently, and will feel less difference between the urban citizens and themselves. Thus the long road for their integration into urban citizenship is shortened.

To Facilitate Expropriated farmers in employment

Employment is the basis of income flows important to long-term livelihoods and lack of it is also

the key obstacle to urbanization. To rebuild sustainable livelihoods depends on expropriated farmers' employment opportunities and ventures. Aids to their employment and ventures can improve their abilities for survival. We have designed two employment models for them, based on their individual characteristics (Figure 3).

Firstly, some of them should continue engaging in agricultural production. To continue engaging in agricultural production is a natural way for the older expropriated farmers and women, especially those who live in outer suburbs because they have been specializing in agricultural production, they lack the job skills demanded by non-agricultural jobs, they have little interest in learning new skills and the costs of training them is inefficient. The feasible ways for them to continue working in agricultural production are as follows. Firstly, they can rent lands abandoned by migrant workers and farm them. Secondly, they can continue their work on the land offered by the government after land acquisition. This employment path needs the government to select alternative lands to host them. In addition, they can still work in rural areas by working in labor-intensive industries of agricultural production. For example, they can secure employment in the development of modern agriculture, and they can be engaged in agricultural processing, transportation and sale (Huang, 2009).

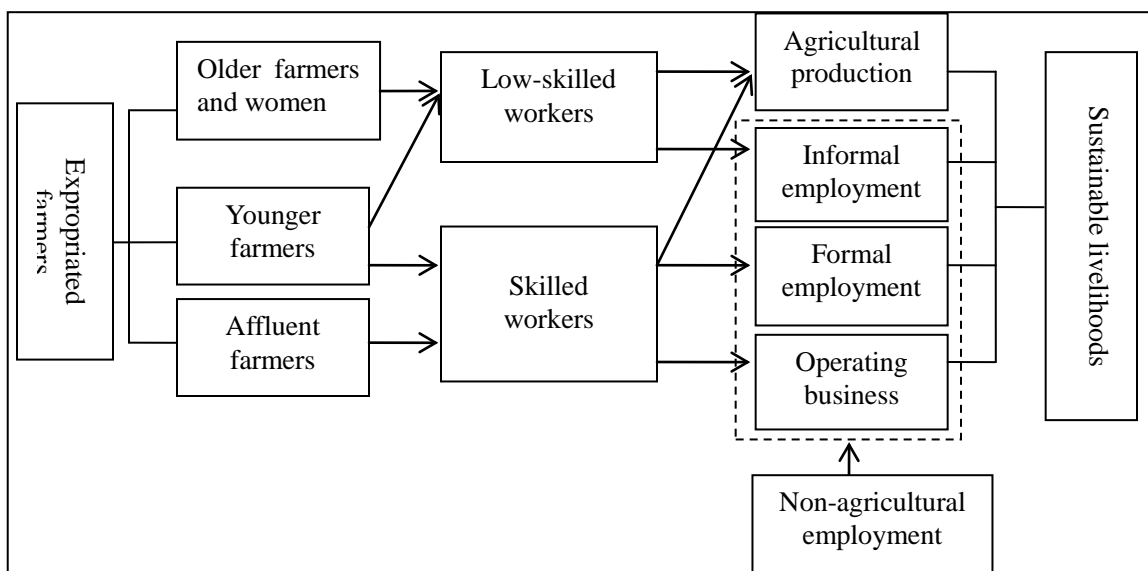


Figure 3 Employment Modes for Expropriated farmers

The responsibilities of the government under this employment mode are as follows: organization of labor export to other lands to develop featured agriculture, building a regional human resource market for job searching in the national arena, and offering free training in agricultural technologies. Another point to be noted here is that expropriated farmers will need job training in any case because traditional agriculture is being transformed into farming businesses managed by highly skilled, educated people as the industrialization includes mechanization and modernization in both agricultural and industrial production. They should improve their skills in agricultural production to ensure their ability to find and hold a job in labor markets.

Secondly, some of them should convert to non-agricultural employment. Less and less farmers will be needed with agricultural mechanization and modernization. To get a job in non-agricultural areas is a better choice for most of expropriated farmers especially the young people. Meanwhile, more and more skilled workers are indispensable for China to be a real manufacturing power in the post-industrial period. Most expropriated farmers are nearly

unskilled or very low-skilled, so they will find it difficult to find a job in non-agricultural areas in this post-industrial period. They definitely need re training to acquire a new skill set. Taking into account their lower level of education, we suggest training them into low-skilled or medium-skilled workers (Zhang, 2011). The young and affluent expropriated farmers can likely be trained into high-skilled workers. Those who have difficulties in learning new skills may only be able to find unstable, informal jobs.

Expropriated farmers should convert to non-agricultural employment because less and less land is being left for them to cultivate with fast urbanization and they can adapt to urban life well only through employment in urban areas. The paths for their conversion to non-agricultural employment are as follows: informal employment for the older expropriated farmers and women; formal employment for the young expropriated farmers and those with higher levels of education; such as operating or creating new businesses. The government needs to be involved by promoting the growth of the collective economy and TVEs so that jobs open up, encouraging them to start their own businesses, supplying vocational training demanded by the markets; and raising enough unemployment funds for their unemployment insurance.

6. Policy Implications for Dealing with the Short-sightedness of Expropriated farmers

To Improve the Land Grant Fee and the Compensation Fees for More Apartments and Enough Funds for the Social Security System

The argument that the compensation standards in China should be improved is strongly supported by provisions of, “What if the person is using the land in a less valuable manner than is possible under existing regulations? Should compensation be determined on the basis of the existing use or on the other more valuable permitted use? The highest value permissible use (the

“hope” value) will determine the value of the land in the market (FAO, 2008).” China needs to establish a mechanism for farmers to share the growth fruit through taking into account the potential higher land revenue from non-agricultural uses of land. It is feasible to improve the land grant fee through the improvement of costs of compulsory land acquisition since developers should face the true costs of land acquisition.

The higher land grant fee and the higher compensation fees will make the apartments more affordable for expropriated farmers and provide enough funds to build their social insurances. On the one hand, rational expropriated farmers will choose to spend the compensation fees on an apartment not on a luxurious car if the compensation fees are high enough. If the compensation fees are high enough they will be able to afford a second and even a third apartment, and be able to live on house renting and can count on a lasting income flow. It is also a good way to make the value of their wealth stock increase over time. Apartments at lower prices should be offered to them under the regulation of the government at the same time. On the other hand, the higher land grant fee and the higher compensation fees make it possible for the future expropriated farmers to integrate into the same social security system as the urban citizens. Under the Demonstration effect, it is possible to make the existing expropriated farmers trust that spending some of their compensation fees on the social insurances will benefit them more in the long term than just keeping the money in hand. In our opinion, the best way is for the government to raise the land grant fee for all the existing expropriated farmers.

To Promote the Spending of Compensation Fees on the Self-employed Program

Microcredit is very important to the self-employed. If it is combined with the higher compensation fees, expropriated farmers would have enough money to operate their own

businesses. To succeed in operating their own businesses, they would need additional help from the government as they lack knowledge in business and information of the market. The local governments can sponsor particular programs to help them get through the whole process from starting up to the normal operation of their businesses. These programs can offer information on market demand from the macro perspective so that their businesses can complete in the marketplace. Technicians would need to be available to help them since they lack knowledge of the operation of a business and the relative technologies necessary for production.

To Assist Expropriated farmers in Being-employed Employment

It is really not enough that expropriated farmers be given the same unemployment insurance and the same employment support from the government as that for the urban citizens. In practice, this does not work suffice even though there are free job training programs and policies helping them in job searching. More supporting policies should be created with the goal of improving their skills and securing jobs for them. On the one hand, expropriated farmers are required to participate in some vocational training before they get unemployment benefits from the government. On the other hand, the government needs to supply more information on what job skills are in demand and act as the bridge between expropriated farmers and the enterprises in order to guide expropriated farmers in the right direction in the choice of job training. Sometimes the government even needs to sponsor some vocational training programs and train expropriated farmers for the specific demand coming from enterprises.

7. Conclusions

Most studies have adopted the number of expropriated farmers given by MLRPRC. The number is over 40 million from 1999 to 2008. However, it is larger than 83 million after we include the

number during 1978-1998. Just because they are living in storied buildings and not working on land doesn't mean they are real urban citizens. Wealth is the key factor for their integration into urban civil society. More money, more houses, and more job skills are important factors for them to be wealthy after land expropriation. However, the inadequate compensation is key factor in exposing them to the risk of future impoverishment and turning them into a new vulnerable population in the cities.

Livelihoods of farmers are land based in China. Compulsory land acquisition deprives farmers of their basic productive material; meanwhile, inadequate compensation cannot give them other productive materials to build their long-term livelihoods. We argue the compensation fees should be determined according to the potential value of the land to compensate their loss of wealth stock. We also argue that the goal of compensation is to rebuild a basis for the farmer to pursue a sustainable livelihood without land and the compensation system should cover the total social costs of resettlement. Therefore, new ways to get income flows are necessary for their long-term survival due to inadequate compensation. We argue that a lump sum payment cannot inherently solve the sustainable livelihood problem because it is just a kind of wealth stock but not a continuing income flow. Therefore, the added forms of assistance for their future income flows are necessary. Expropriated farmers need to be integrated into the social security system, assisted in stable non-agricultural job searching, and subsidized with more apartments. If compensation and settlement covers their loss of wealth stock and their income flow is guaranteed, both their short-term and long-term lives can be secured.

Besides inadequate compensation, expropriated farmers' short-sightedness in spending the compensation fees in a luxurious way in the short-term is another factor in exposing them to the risk of future impoverishment. Thus they need specific help to plan the use of their big fortune

for their long-term livelihoods. We argue that compensation standards should be improved to make them affordable for more apartments and their own businesses, that the government should supply policies and systems to place a portion of the land grant fee into the social security system, that farmers who have recently lost their land be required to participate in some vocational training so that they can get jobs more easily, and that the government assist them in operating their own businesses successfully.

Acknowledgements. This research was funded by grants from Ministry of Human Resources and Social Security of the People's Republic of China (RS 2009-25). We are grateful to the IRLE of UCLA.

Reference:

Butler, S(2002). Comments: Marketing the Legal Basis for Land Rights Operational and Effective. *Budapest: The World Bank Land Workshop*, (13).

Chen, Zong(2008). Research on the Employment of Expropriated farmers in City Fringe Areas. *Shangdong Social Sciences*, (10), 104~107.

Chu, Jianpeng(2009). Land Expropriation Compensation Based on the Price of Land Use Right Granting. TS7E-Compulsory Purchase and Compensation and Valuation in Real Estate Development. FIG Working Week 2009. Surveyors Key Role in Accelerated Development. Eilat, Israel, 3-8 May 2009.

Food and Agriculture Organization of the United Nations (2008). Compulsory Acquisition of Land and Compensation. *FAO Land Tenure Studies*: 23, 27~30, 40~41, 43, 53.

Huang, Huan(2009). Research on the Promotion of Resettlement of Peasants Involved in Land Expropriation by Employment. *Inquiry into Economic Issues*, (1):27~31.

Jiang, Cuizhen(2007). Social Security Research Review of Land-Losing Farmers in China. *Journal of East China Jiaotong University*, 24(3): 99~103.

J. Vernon Henderson (2007). Urbanization in China : Policy Issues and Options. [http :
//www.econ.brown.edu/faculty/henderson](http://www.econ.brown.edu/faculty/henderson)

Li, Futian(2009). Lost Land and Unemployment: An Investigation on the Employment Status of Peasants who Lost Land in the Process of Urbanization. *Jiangnan Tribune*, (2), 125~129.

Li, Guojian(2008). Research on Compensation and Resettlement for Land-expropriated Farmers. *Ph.D Thesis. Taian: Shandong Agricultural University*, 1~5.

Li, Wenxing, Zhu Fengxia, & He, Daizhong (2007). Dilemma and Ways out: Research on the Training and Employment of Young Farmers Losing Land in the process of Development of Urban and Rural. *Productivity Research*, (10), 48~49,70.

Li, Yahua(2004). Approaches to the Solutions of the Insurance of the Landless Peasants. *Wuhan University Journal (Philosophy & Social Sciences)*, 57(3), 358~363.

Lian, Yuming(2004). China Digital Report(2004).*China Modern Economic Publishing House*

Liu, Guozhen (2007). The Reform of the Compensation System of Land Expropriation in China. *Journal of US-China Public Administration*, 4(1),11~20.

Lu, Haiyuan (2009). Cornerstone of a Harmonious Society: Study on a New Pension Scheme with Chinese Characteristics. *Qunzhong Press*, 2009.11

Lu Xueyi(2004). Social Mobility in Contemporary China. *Social Sciences Documentation Publishing House*.

Luo, Shiping(2007). Research on Employment of Rich Peasants after Land Acquisition. *Human Resource Development of China*, (2):17~21.

Ma, Chi, Zhang Rong, & Peng, Xia(2004). Research on the Employment of Peasants Losing Land in the

Urbanization Process. *Soft Science*, 18(6), 18~20, 38.

Pan, Jiahua, & Wei, Houkai(2010). Annual Report on Urban Development of China No.3. *Social Sciences Academic Press*, 2010.8

Peng, Kaili, & Li, Hongbo(2006) . The Enlightenment of Land Expropriation Compensation System in US. *Management of Agricultural Science and Technology*, 25 (6), 49~51.

Qiu, Shi, Yang, Yifan, & Lin, Bing (2008). Practice and Experience on Compensation and Settlement of Expropriated farmers. *Gansu Farming*, (6): 12~14, 16.

Shen, Guanbao, & Wang, Huibo(2008). Interpretation of the Issues on Expropriated farmers. *Jiangxi Social Sciences*, (1): 186~192.

Tan, Minghong & Li, Xiubin (2010). Characteristics of Urban Land Per Capita of Major Countries in the World and Its Implications for China. *Journal of Natural Resources*, 25(11), 813~1822.

Wang, Huachun, & Tang, Renwu(2003). Land expropriation System of Foreign Countries and Their Inspiration to Reform of the system in China. *Social Sciences in Yunnan*, (1): 30~54.

Yan, Yanfei, & Fu, Jiyuan(2005). Factors of Influencing Land-expropriated Farmers Re-employment and Countermeasures. *Journal of Yantai College of Education*, 11(2),49-52,55.

Yang, Jin, & Yang, Yingchun(2005). Thinking about the Reform of Rural Land Expropriation System. *Study Reform of Economic System*, (1).

Ye, Jihong(2007). Types, Pathes of Employment of Land-expropriated Farmers and Government Guidance—Taking Nanjing City as an example. *Economic Survey*, (5), 115~117.

Zeng, Haiying(2006).Research on the Employment of Peasants Losing Land Involuntarily in the Urbanization Process. *Productivity Research*, (2), 105~108.

Zhang, Shifei, Tang, Jun, & Zhan, Shaohua(2004). Exchanging Land for Social Security: A Feasible Way to the Issue of Lost-Land Peasant. *Red Flag Manuscript*,(8),32~35.

Zhang, Xiaoling, Lu, Haiyuan, & Mi, Hong (2006). Study on Impoverishment Risk and Measures on Resettlement of the Farmers Involved in Land Requisition. *China Land Science*, 20(1), 2~6

Zhang, Xueying(2009). A Study on the Training of Rural-urban Migrants Based on Industrial Upgrading: Take the New Coastal Region of TianJin As An Example. *Urban Studies*, 16(2):92-96.

Zhang, Xueying(2011).Research on Location of Migrant Workers in Talents Structure during Post-Industrial Period in China. Forthcoming in *Modern Economic Research*.

Zhang, Yuanyuan, & He, Lijun(2004). Research on the Employment of Peasants Losing Land in the Urbanization Process. *Social Scientist*, (2), 111~114.