same time, scholars strive to avoid ideologically driven wishful thinking. It is thus highly commendable that the author restrained himself to mapping out the direction and the range of choices available for the hypothetical reforms, thus setting up further research questions without falling into any of the above-mentioned traps.

The research method developed throughout the book falls under the “orthodox positivist" category. The greatest accomplishment of the book is that it comprehensively and with a great skill depicts the patterns of coexistence between the new socio-economic elite and the CCP, fully revealing the underlying mechanisms behind the Chinese political drama. Further, given the quality of the book, it is no wonder that it was awarded the 34th Institute of Developing Economies (IDE) “Developing Countries Research Encouragement Award”, thus making Dr Suzuki’s “Zhongnanhai Study Group” comrades proud and jubilant.

Having discussed at length the scholarly contributions of Dr Suzuki’s monograph, I would like to conclude by reiterating that the book is a milestone achievement of the “Zhongnanhai Study" in Japan, and as such fully deserves to be publicized outside Japan (both in China and in the Anglosphere), with its crisp and lucid style particularly well-suited to the high demands of the leading English language journals.

Masaharu Hishida

© 2017 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group. This is an Open Access article distributed under the terms of the Creative Commons Attribution License (http://creativecommons.org/licenses/by/4.0/), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

https://doi.org/10.1080/24761028.2017.1409312

Chugoku no Tochi Seiji: Chuo no Seisaku to Chiho Seifu [China’s Land Politics: State Land Policy and the Local Government], by Zhe Ren, Tokyo, Keiso Shobo, 2012, 193 pp., 3,800 yen+tax, ISBN 978-4-326-34893-0

1. Outline of the book

This excellent book, written by a young scholar, discusses central–local relations, one of the focal points of Chinese politics, through land policy issues. The most important feature of Dr Ren Zhe’s book is that, apart from inheriting traditional research methods of Chinese political studies (that is, the examination of central–local relations through the administrative and fiscal structures), it includes an analysis of fees and taxes generated by the land-use-rights transactions along with their distribution.

As noted by the author, following the 1994 tax system reform, the balance of political and economic power between central and local government has significantly changed in terms of distribution of the sources of revenue. On the one hand, the central government has strengthened its grip on tax revenue. On the other hand, transactions in land-use rights, which started in the second half of the 1990s, have brought enormous revenues to local government. Through a careful analysis of statistical data, administrative documents, as well as government and private sector actors’ behaviors concerning land development, the

This review was originally published in Japanese in Ajia Keizai 54, no.1 (2013): 110–112.
author depicts the transformation of central–local relations, contributing a great deal to the topic.

Now, I would like to introduce the content of each chapter (except for the Introduction) in the context of previous research on the topic. Chapter 1, titled “Central-local relations and land after 1994,” examines central–local relations by applying the concepts of “governmental centralization” and “administrative decentralization.” In China, the local cadres’ appointment (and dismissal) process is entirely controlled by the central government, so that there is no “decentralization” in a strict sense. Yet, local government exercises broad discretionary power in particular areas. In other words, the so-called “decentralization” in China means that although political power is centralized, administrative discretionary powers are exercised by the local government at different levels. Consequently, in such a system of “administrative decentralization,” and under the performance-based promotion system, local government officials are engaged in intense competition. The author correctly observes that the so-called “land politics” (土地政治) is a direct result of a vigorous internal competition among local government cadres (官员竞争体制).

In Chapter 2, titled “Land and real estate in central-local fiscal relations,” the author, using local government fiscal data, carefully investigates the growing local government’s dependence on land-related revenue following the 1994 tax system reform. Specifically, with regard to real estate-related taxes, the author has shown that the distribution ratio shifts in favor of grassroots government (that is, local government below the prefectural level). This finding is of great value also for the reviewer. Another important source of revenue – the land-use-rights transaction tax – also shows the tendency to concentrate at grassroots government level. In the author’s opinion, it is a direct result of the lack of balance between the distribution of fiscal power and fiscal burdens: fiscal power pertains to central government, whereas fiscal burdens are “devolved” to grassroots government. That is a very important observation.

Chapter 3, titled “The analysis of grass-roots government role in the process of land marketization,” deals with a plethora of land expropriation cases, attempting to categorize them in terms of governmental intervention, legitimacy, and the profit distribution. It must be noted, however, that in this chapter, the “grassroots government” refers to township/village – level government, thus standing in contradiction with the definition offered in Chapters 1 and 2. For example, Chapter 2 gives the readers an impression that land development-related power lies almost entirely within county-level government and that little is left to township/village-level government. Moreover, it is not clear whether the author categorizes “land” as “commodity” or as “capital,” while discussing the cases of land expropriation.

Chapter 4, titled “State-owned Real estate enterprise as a means for economic development,” examines another leading actor of land development, real estate enterprises, focusing on their actual management conditions and close links to the local government. Although the title contains the phrase “state-owned,” much to my disappointment, the author does not clarify how management policies in the state-owned enterprises differ from those in the privately owned ones. However, the Shanghai case mentioned by the author is truly thought-provoking: in Shanghai, the state-owned real estate enterprise and the Land Reserve Center are in reality two divisions of the same company, just with two different signboards.

Chapter 5, titled “Political economy of land and Chinese politics,” analyzes the widespread “land politics” distortions which result from the performance-based promotion system at local level, as well as its impact on Chinese society. The author argues that “land politics” has brought an array of social problems, such as (1) the distribution crisis, (2) the participation crisis, and (3) the crisis of policy implementation and legitimacy. A thorough examination of a set of land issues has fully exposed the following structural
problem: the state-owned real estate enterprises’ position as an influential actor in local politics and its close links to local government impedes the implementation of the central government’s policies, hampers peasants’ political participation, and contributes to urban–rural income gap.

The last chapter, titled “Central-local relations from the perspective of land and real estate,” criticizes the dualist framework used to analyze central–local relations so far, emphasizing the necessity of adopting a multidimensional framework for studying “local politics.” The author insists that the dualist “central–local (provinces)” framework of analysis does not contribute to our understanding of the political economy of land in China, making it the main message of the book.

2. Evaluation of the book and future research topics

As explained earlier, this book discusses central–local relations, one of the focal points of Chinese politics, from the perspective of land policy issues. A careful analysis of original materials and the collected case studies reveals (1) institutional imperfections, (2) the lack of access to information, (3) the opaque system of land-related revenue distribution among different levels of local government, which is very difficult for outsiders to understand, and (4) the actual management practices of the state-owned real estate enterprises and their links to the government. No doubt, the above findings should be considered as highly valuable. Further, this book shows the author’s ambition to construct an effective model to analyze Chinese political economy by using land policy issues as a point of departure. To this end, I have high expectations for the author. Also, it is my deep conviction that in order to improve the above theoretical framework, the following research topics need to be addressed.

First, how to depict the “ambiguity” of power relations at virtually every level of the local government, from which the complexity of Chinese local politics originates? As emphasized throughout this book, when the government transfers its land-use-rights to the real estate enterprises, land development powers (along with interest profit) lie almost entirely within the county-level government. Further, as explained in Chapter 3, there are clear regulations concerning county-level government powers in the Land Administration Law, but no such regulations with regard to the township/village-level government. Yet, as illustrated by several case studies, township/village-level government plays significant role in the actual process of land expropriation. On the other hand, in Chapter 4, the author observes: “almost all municipal governments have set up ‘Land Reserve Centers’ which participate in land expropriation process.” Given the above, the question is: how to generalize on land expropriation-related powers at different levels of local government?

In the reviewer’s opinion, it is not clear to which level of the local government land development-related powers pertains. The regulations are extremely vague and tend to vary according to regions and circumstances. Further, the land-use-right fee, which is neither a tax nor a usufruct, is a revenue of a very vague nature, thus constituting a part of a unique “vague powers” structure of Chinese local politics. Regarding the above “ambiguity,” which constitutes an inseparable component of local politics, I expect the author to further develop his theoretical model.

The second challenge is to clarify the financial aspect of land policy, especially the phenomenon of the banks using land as loan guarantees. As explained earlier, the author argues that the 1994 tax reform deprived grass-roots level government of tax revenue, so that they had no choice but to involve themselves into “land politics.” In my opinion, however, persuading the local enterprises into taking low-interest loans and charging a kind of “management fee” on land rent the local enterprises are obliged to pay, constitute an
important source of the grass-roots government’s revenue. Further, as explained in the book, the distribution of land transferring fees obtained from rural land development, which in reality constitute another source of grass-roots government “Local Government Financing Vehicles” (融资平台), further adds up to the complexity of land policy at local level. Lastly, how the central government manages to proceed with macroeconomic policies under such circumstances is a research question that begs further investigation.

The third challenge is how to proceed from those extremely complex central – local relations in China to the construction of a theoretical model of central – local relations. In Chapter 5, the author quotes from Robert Bates, an expert on African politics, arguing that the “predatory states” of China and Africa share many similarities, especially with regard to profit-seeking government intervention in the market. In my opinion, however, this seems like an oversimplified viewpoint. As Jean C. Oi points out, during the 1980s, the Chinese local government indeed performed profit-seeking interventions, but meanwhile managed to construct a relatively successful model of governance premised on competition among local governments. In my opinion, with regard to rules that regulate intra-government competition at local level, China cannot be compared with African “predatory states.” Consequently, given the variety of government – market relations, the question of how to map out the phenomenon of profit-seeking with regard to land needs further discussion.

The last topic I would like to discuss is how to evaluate different models of “land politics” which were developed across China throughout the process of rural urbanization. As discussed in Chapter 3, both land expropriation and the transfer of land-use-rights constitutes significant sources of revenue for the local government. Further, social problems (including peasant protests) generated throughout the process of revenue distribution are well attested. It is also true that the local government created different models of the land-related revenue distribution. For example, in Guangdong the self-management of land by the village units has been introduced, whereas in Chongqing, Chengdu, etc. rural land development – related revenue has been “redistributed” to peasants in the form of social welfare (similar to that in the urban areas) and collective housing rights. Again, from the vantage point of China’s political economy, the above-mentioned inter-regional competition with regard to institutional reforms which accompany land development deserves further attention.

To conclude, I would like to encourage the author to boldly explore the above-listed topics of research and persists in his efforts to establish a full-fledged analytical model of China’s political economy.

Disclosure statement

No potential conflict of interest was reported by the author.

References

Kajitani, K. *Gendai Chugoku no Zaisei Kinyu Shisutemu: Gurobaruka to Chuo-Chiho Kankei no Keizaigaku* [The Fiscal and Financial System of Modern China: Globalization and Economics of Central-Local Relations]. Nagoya: Nagoya University Press, 2011.

Kajitani, K. “Noson Toshika no Seijikeizaigaku: Nochi Ryudoka, Hinogoyo Tenyo no Shiten cara.” [The Political Economy of Rural Urbanization: From the Vantage Point of Land Liquidity and Land Expropriation.] In *Chugoku Choko Deruta no Toshika to Sangyo Shuseki* [The Yangtse River Delta Urbanization and Industrial Clustering], edited by H. Kato. Tokyo: Keiso Shobo, 2012.

---

1Kajitani, *Gendai Chugoku no Zaisei*.
2Oi, “Fiscal Reform,” 99–126.
3Kajitani, “Noson Toshika no Seijikeizaigaku.”
In 2010, following the reform and opening up and three decades of an unprecedented economic growth, China overtook Japan as the world’s second-largest economy. China’s international status, driven by such a strong economic performance, has also risen conspicuously. Notwithstanding the significant influence, the reform and opening up has exerted on both China and the international society, its origin and the implementation process are still shrouded in mystery.

The most frequently used concept to describe China’s foreign policy in the wake of the reform and opening up is that of “independent foreign policy” (独立自主外交). It must be noted, however, that scholars’ opinions differ regarding the policy inception date – whether 1978 or 1982 should be taken as its starting point (nor is the Chinese government clear on it). China Looks Back: Mao’s Legacy in the Open-Door Era, the book written by Dr Chisako T. Masuo and published by Tokyo University Press, makes an attempt to solve the above conundrum.

Dr Masuo’s book consists of six chapters (including the Introduction) and focuses on the 4-year period between 1978 and 1982. In the Introduction, the author introduces basic concepts on which the analysis is premised, arguing that, among the so-called “socialist states”, two visions of international relations coexisted: international relations between sovereign states (aka the Westphalia system) and the socialist international relations guided by the logic of the class struggle and epitomized by the international communist movement. Following this way of reasoning, the author posits that through the inception of the “independent foreign policy”, the Chinese government rejected the tenets of “proletarian internationalism”, fully embracing the principles of the Westphalian system of sovereign states (page 29 of the book). In other words, the process of foreign policy “de-ideologization” had occurred.

In Chapter 1, China’s foreign policy between 1949 (the establishment of the PRC) and 1972 (the Sino-American Normalization) is briefly analyzed in the context of the international communist movement. Next, the author examines the period of 1973–1976, when Deng Xiaoping was restored to the post of Vice-Premier, focusing on his United Nations (UN) speech and the developments during the first session of the fourth National People’s Congress (NPC). In April 1974, Deng delivered a speech at the sixth session of the UN General Assembly, in which he set forth the “three worlds”