

Strong Village Leadership vs. Government Investment: Reflections on a Community Reconstruction Case in Southwest China

SIYUAN XU

ABSTRACT: In post-socialist China, the village's collective management over community farmland, forestry, and other resources has been greatly undermined since China's reform and opening up in the early 1980s. The subsequent rural-urban migration has further dismantled rural communities. Efforts have been made to revitalise the countryside, yet little success has been achieved. This paper closely examines one community reconstruction case that experienced two development stages: village committee-led internal development based on collective management of community resources, and tourism development externally subsidised by the government. Unsuccessful as it is, the case shows the vital role of collective resource management in comparison to external subsidies and investment in community reconstruction. It also suggests that a strong community leadership can initiate the process of community reconstruction, but a lack of mobilisation and participation of community members creates underlying issues that threaten its sustainability.

KEYWORDS: community reconstruction, collective management, village committee, government.

Introduction: Modernisation and the rise of rural reconstruction

In 1978, China embarked on market reform. In rural China, the collective economy that existed for three decades in the Mao era (mid-1950s to 1970s) was significantly undermined and replaced with the household responsibility system (HRS). Under the HRS, community resources (e.g. farmland, forestry, and grassland) are still collectively owned, but they are allocated to individual rural households through contracts. Over the past four decades, market reform has significantly transformed Chinese society. In 2010, China surpassed Japan and became the second largest economy in the world.¹ Rapid industrialisation has made China the largest producer of coal, cement, raw steel, steel, and electricity for years.² At the same time, China has rapidly urbanised. In 2019, the urbanisation rate in China reached 60.60%, with roughly 850 million people living in cities.³ Policy and intellectual discourses have largely celebrated the achievements of China's modernisation.

However, intellectuals in the *sannong* (三農) field have raised concerns regarding the implications of modernisation for Chinese peasants, agricultural development, and rural communities since the late 1990s. In 1996, *sannong* issues were brought to public and academic attention. They refer to rural development problems related to peasants (*nongmin* 農民), rural society (*nongcun* 農村), and agriculture (*nongye* 農業) that

are caused by industrialisation and urbanisation (Day 2013). In 2000, an open letter to Premier Zhu Rongji 朱鎔基 stated the harsh reality in rural China: the peasants' lot is really bitter, the countryside is really poor, and agriculture is in crisis (*ibid.*: 116). Based on their views on modernisation and rural reconstruction, *sannong* experts take one of two positions.

Pro-modernisation positions in China's *sannong* field see that the expansion of cities in other developing countries has caused urban poverty and violence that threaten social stability, but they believe that China can learn from these examples and avoid "chaotic and unrespectable" urbanisation (He 2014a; Wen and Wen 2007). They argue (He 2014a; He 2014b) that the quality of urbanisation depends on the extent of a

1. "中國超過日本, 成為世界第二大經濟體" (Zhongguo chaoguo Riben, chengwei shijie dierda jingjiti, China Surpassed Japan and Became the Second Largest Economy in the World), *Zhongguowang* (中國網), 11 February 2011, http://www.china.com.cn/economic/node_7111030.htm (accessed on 10 July 2020).
2. "新中國70年工業化進程的歷史性成就與經驗" (Xin Zhongguo 70 nian gongyehua jincheng de lishixing chengjiu yu jingyan, Historical Achievements and Experiences of 70-year Industrialisation in New China), *Renminwang* (人民網), 2020, <http://finance.people.com.cn/n1/2019/0709/c1004-3122238.html> (accessed on 11 July 2020).
3. "國家統計局: 2019年中國城鎮化率突破60%, 戶籍城鎮化率44.38%" (Guojia tongji ju: 2019 nian Zhongguo chengzhenhua lv tupo 60%, huji chengzhenhua lv 44.38%, National Bureau of Statistics: China's Urbanisation Rate Reached Over 60% in 2019, Urbanisation Rate Based on Residence Registration is 44.38%), *Zhongguo jingji wang* (中國經濟網), 28 February 2020, http://www.ce.cn/xwx/gnsz/gdxw/202002/28/t20200228_34360903.shtml (accessed on 11 July 2020).

nation's modernisation, its economic development and its position in the international economy. Pro-modernisation positions suggest that China should move up in the international industry chain and transform from "made in China" to "created in China."

In order to achieve this, pro-modernisation positions (He 2014a) first argue for the merits and necessity of the export-oriented economy because it makes the best use of China's high-quality cheap labour and gives China incomparable competitiveness in the world economy. In He's (*ibid.*) words, "sweat money from the sweatshops is still money" (*xuehan gongchang de xuehan qian yeshi qian 血汗工廠的血汗錢也是錢*). Second, urbanisation projects require acquisition of farmland in urban peripheries for housing and infrastructure construction. Pro-modernisation positions claim that the money saved by lowering farmland compensation will be invested in urban construction, which will in turn benefit the urbanised population (*ibid.*). As to rural China, they argue that it is a labour supply reservoir and a retreat for migrant workers who have failed to urbanise themselves (He 2014b). Pro-modernisation positions believe that the country as a whole will benefit from modernisation with the labour and land provided by rural China.

Rural reconstruction positions, in contrast, argue that modernisation will eventually lead to a rural crisis (Li 2000; Wen 2008). The modernisation of developed countries in history depended on colonisation for resources and to absorb the surplus population. As China can't follow the same path, it can only rely on domestic colonisation that exploits its rural areas (Wen 2005a; Wen 2005b).

Urban industrialisation requires vast amounts of cheap labour from rural China and has caused large-scale domestic migration. Since the 1980s, China's eastern coastal cities have attracted the majority of migrant workers. In 2008, in spite of the financial crisis that struck coastal enterprises, the number of migrant workers in the export-oriented economy still reached almost 100 million.⁴ Industrialisation and urbanisation are both based on land acquisition. Between 1987 and 2001, more than 40 million *mu*⁵ of farmland was used for non-agricultural purposes, resulting in at least 40 million peasants losing their land (Yu 2010: 25). Between 2000 and 2017, the amount of land acquired annually increased by 1,000 km² and the total number reached 28,785 km² (Zhang 2019). Urban China and rural China are two sides of the same coin. While urban China benefits from modernisation, rural China is left with problems such as desertion of agriculture (Li 2000) and left-behind populations (Zhou and Duan 2006). Together with the stagnation of rural household income and the increase of rural-level public debt, "the late 1990s saw rural decline deteriorating into sustainability crises" (Yan, Ku, and Xu 2020).

Since 2000, the re-establishment of urban-rural relationships and rural reconstruction have been heatedly discussed. This article joins the current scholarly effort to understand and assess the different approaches to rural reconstruction. It uses the developmental trajectory of Xin Village, a forest community in Southwest China, to illustrate how community reconstruction was initiated by the administrative village leaders and why it later became difficult to sustain. Based on this community reconstruction case, I argue that collective resource management through a strong village leadership is more helpful for revitalising the local community than external subsidies and investment. Data for this research was collected in August 2018. I joined a research group of four members to conduct fieldwork in Xin Village. We interviewed key members of the village committee, forest rangers, the seniors' association and local villagers.

In this paper, I first engage with different approaches to reconstructing rural communities and discuss the main positions underlying them. The discussion will focus on the relationships among the government, the market, and the village leadership. I will then use the case of Xin Village to show the dynamics of rural community reconstruction. The relationships between the government and the village and between community participation and external support are examined in the concluding discussion and reflection.

Rural reconstruction: Debates and practices in two eras

Collective economy in the Mao era: The legacy and implications for the current rural reconstruction

When the People's Republic of China was founded in 1949, land reform allocated farmland to individual rural households and the private ownership of farmland was established. Soon rural cooperation was initiated in some villages (Ma 2009) due to the re-emergence of rural differentiation, peasant conservatism (Yan, Ku, and Xu 2020), and production difficulties (Wang 2013). The latter refers to the lack of labour, farming machinery, or animal power that individual rural households were faced with (Wang 2013; Jin 2007). The socialist transformation of agriculture, the handicraft industry, and capitalist manufacturing industry and commerce launched in 1952 systematically organised China's peasants into mutual-aid groups, and later into primary cooperatives and advanced cooperatives.⁶ By the end of 1956, the majority of China's peasants had joined rural cooperatives, and the private ownership of farmland was replaced by collective ownership.⁷ Thus, a collective economy took form in rural China as an integral part of the socialist economy (Wang *et al.* 2015).

The collective economy in the Mao era (mid 1950s-1970s) embodied the significant endeavours of China's Communist Party (CCP) to transform agricultural production, rural society, and rural-urban relations (Wang *et al.* 2013; Xu 2019). Established on the foundation of advanced cooperatives in 1958, people's communes replaced township governments and became the administrative units in rural China (Jin 2007). They organised Chinese peasants into a three-tiered system (production teams, brigades, and communes). The collective economy provided social welfare and services for members (Jin 2007; Gao 2013; Schmalzer 2016), but it was first and foremost a production system. At the basic level of the production team, peasants worked collectively and were rewarded according to their contribution that was measured by work credits. Production brigades manufactured large agricultural machines and provided them for collective production. Communes not only provided agricultural machinery, but also coordinated and organised the construction of irrigation and drainage systems.

4. "2008年末全國農民工總量為22542萬人" (2008 nianmo quanguo nongmingong zongliang wei 22542 wan ren, The Number of Migrant Workers Reached 225.42 Million at the End of 2008), National Bureau of Statistics (國家統計局), 2009, http://www.stats.gov.cn/tjtc/ztfx/fxbg/200903/t20090325_16116.html (accessed on 15 July 2020).

5. A *mu* is equivalent to 0.0667 hectare or 667 sqm.

6. For a detailed explanation of the stages of rural cooperation, especially how means of production, labour, and agricultural production were organised, see Yan, Ku, and Xu (2020).

7. At the same time, the handicraft industries and capitalist manufacturing and commerce also transformed to socialism through cooperative movements and the establishment of public property ownership.

China experimented with changing rural-urban relations in the Mao era. Diversified production including intensive cultivation, forestry, animal husbandry, fisheries, and side-line production were encouraged on China's collective farms to make full use of agricultural labour (Zhang 2002: 41; Xu 2013; Xu 2019; Yan, Ku, and Xu 2020). Industries were built in rural communes to transform surplus agricultural labour into workers *in situ*. Commune-brigade enterprises (*shedui qiye* 社隊企業) were designed to achieve industrialisation and urbanisation in rural China (Wang *et al.* 2013; Ying 2014: 59).

In 1983, the Central Committee of the CCP and the State Council re-established township governments to replace brigades with village committees (*cun weihui* 村委會), and production teams with villager groups (*cunmin xiaozu* 村民小組) (Wang *et al.* 2013; Ying 2014: 59). Rural reform re-distributed farmland to individual rural households and established household-based production/economy (Yan, Ku, and Xu 2020). The separation of ownership rights from contract rights (and user rights) eroded the foundation of the collective economy.

Since 2000, China's central government has announced several measures to alter the urban-rural relationship and to reconstruct/revitalise the countryside.⁸ Despite the seemingly positive turn of government policies regarding the urban-rural relationship and *sannong* issues, the unbalanced relationship has not been fundamentally altered.⁹ It seems that government policy changes directly respond to different stages of China's economic development, the focuses of which lie outside of the *sannong* field: building a socialist countryside was to address the problem of overcapacity in China's export-oriented economy in the late 1990s, while rural revitalisation was proposed to initiate or further develop financialisation in rural China (Yan, Ku, and Xu 2020). At the macro policy level, it would seem that the policy changes serve the nation's goal of modernisation rather than addressing the *sannong* issues in rural China. Rural conditions continue to deteriorate despite the positive policy changes (Zhang 2019).

Debates around reconstructing rural communities in China: The market, village leadership, and the state

For rural reconstruction positions, policy changes provide various initiatives at the micro level with room to manoeuvre. These initiatives include new forms of collective economy, peasant cooperatives, social enterprises, and various kinds of informal economy.¹⁰ They emerged from the context of market reform and the mainstream discourse that the collective economy in the Mao era had proven to be a failure (Yan and Chen 2013), which has led them to compromise with the market to various extents. They often focus on certain aspects of rural reconstruction and can't avoid undertaking activities following the market logic.¹¹

For the pro-modernisation camp, rural reconstruction is to prevent the worst scenarios of rural decline. They intend to either maintain the stability of China's rural society to facilitate modernisation, or accept the inevitable consequences of modernisation for rural society and in turn to support the villages that can survive. They regard deepening urbanisation as the solution for filling in the gap between cities and the countryside.

He (2020) argues that rural-urban relations entered the re-organisation period in 2000,¹² and estimates that China's modernisation will achieve periodic success in 2035. Before that, rural decline cannot be stopped (*ibid.*). So rural revitalisation is to secure basic living conditions for the rural population and agricultural production: "Rural reconstruction is not expected to make the countryside better than the cities, but to enable

those who are unable or unwilling to settle in the cities to live a decent life in the countryside, and to enable those who fail to settle in the cities to return to rural life." (He 2017: 74)

Rural advocate Li Changping also considers urbanisation the inevitable future for the majority (70%) of rural residents.¹³ Li (2014) estimates that 10% of Chinese villages will become part of cities; 60% will hollow out with the increasing out-migration of rural population; while the remaining 30% of villages are the focus of rural reconstruction. Therefore, he suggests that rural reconstruction should parallel the process to prevent rural bankruptcy.

In terms of the role of the state in rural reconstruction, He and Li argue that support and subsidies from the state are important provisions for future rural development. He suggests that the state's resources should be universally distributed in the countryside so that all villages will benefit, but they should mainly be invested in under-developed and resource-deficient villages (He 2017). Conversely, the rural reconstruction projects that Li actively engages in are to enrich the countryside (Li 2018) rather than to sustain rural life and agricultural production. Li's suggestion for rural reconstruction is to raise funds and transform the countryside into sites for urban consumption (Li and Zhang 2013; Li 2014):

In the future, more urban citizens will travel to the countryside for tourism purposes, so the countryside should be reconstructed more like the countryside, and traditional architecture and village planning should be kept. The sense of history in the countryside will make it more valuable. There will only be hope for rural reconstruction if the agricultural culture can be transformed into consumable culture. (Li 2014: 14)

At the village level, He (2017) suggests that rural revitalisation should depend on elite peasants (*zhongjian nongmin* 中堅農民) and lightly-

8. In 2001, rural tax reform was experimented within rural China in response to the heavy taxation faced by Chinese peasants in the late 1990s. In 2006, agricultural taxes and fees were abolished nationwide. In 2005, the central government decided to Build a New Socialist Countryside, and transform rural China in five aspects, which included production, livelihood, communal atmosphere, village outlook, and governance. In 2017, the CCP's 19th National Congress put rural revitalisation on the agenda and advocated further improving China's countryside on the basis of Building a New Socialist Countryside. The Congress report states that the problems with agriculture, rural communities, and rural people are fundamentally important for the nation's interests and people's welfare.
9. Not only has the urbanisation project not been changed, but fiscal support for the *sannong* field has also not been sufficient. From 2010 to 2015, the fiscal inputs in the *sannong* sector remained at 15% of the fiscal expenditure of government at all levels, which is disproportionate to the importance of agriculture for the country and the proportion of peasants in the national population (Zhang 2019).
10. In 2011, the journal *Open Times* organised a workshop on social economy in China to explore a third road besides the market economy and the planned economy (Zhang *et al.* 2012; Zhong *et al.* 2012). Even though the workshop did not directly concern the reconstruction of rural China, it provided inspiration for alternative ways of organising rural communities.
11. Yan *et al.* (2017) organised rural women to run tourism hotels as a cooperative economy in an attempt to enrich and empower them and to re-build the rural community. In explaining the project, they admit that their cooperative economy is not meant to challenge the market economy, for the project operates in the context of the market economy, and local small-scale experiments such as this are too few and insufficient to make systematic changes. Therefore, the project is to compensate for the damage the market economy has done to the rural community, the environment, and gender relations.
12. In the first decade after the millennium, remittances that rural migrants sent back from working in the export-oriented manufacturing industry in coastal cities increased rural household incomes and enriched the countryside. In the second decade, rural migrants sought opportunities to purchase apartments and settle in cities.
13. Li Changping 李昌平, "李昌平: 我們的新農村建設" (Li Changping: *women de xin nongcun jianshe*, Li Changping: Our New Rural Construction), *Guanchazhe* (觀察者), 27 March 2012, https://www.guancha.cn/LiChangPing/2012_03_27_67818.shtml (accessed on 20 August 2020).

burdened villagers. The former refers to villagers who profit from income opportunities that were opened by rural out-migration. With more peasants leaving their land and villages for urban employment, the remaining villagers could contract more farmland and undertake side-line production. They are considered by He to be the most capable people in villages, the best candidates for village leaders, and the key to maintaining rural social order (*ibid.*).

Li's experiment with rural reconstruction by community-based financial cooperation (*cunshe neizhi jinrong hezuo* 村社內置金融合作) also involves support from the government and the village committee. It is meant to solve the problem that the current financial system in China is designed to serve urban financing needs in real estate and large companies.¹⁴ In 2009, Li started a village-level pension fund at Haotang Village, Henan Province, that attracted money from local villagers and the elderly, the village committee, the local government, and Li himself (CNRPD 2020). It loaned money to local villagers to undertake agricultural production activities, and the interest this generated was partly distributed to the local elderly and partly saved as an accumulation fund. Li also experimented with house renovation and transforming the living habits of the villagers. In 2011, Li co-funded China New Rural Planning and Design Institute (CNRPD, *Zhongguo xiangjianyuan* 中國鄉建院) with other rural reconstruction advocates. It became a platform to replicate the Haotang experiment and to develop further from it.

In the new stage of rural financialisation, Wen Tiejun has designed a three-tiered market scheme (*sanji shichang* 三級市場), which transforms rural collective resources into assets that can be invested in and listed on the stock market, and transforms villagers into asset shareholders who will have access to property income.¹⁵ Similarly, Li and CNRPD advocate for turning rural assets into "living capital" (*huo ziben* 活資本), a robust dynamic driving China's future economic development (Li and Yang 2019). This innovative version of community-based financial cooperation will rely more on support from the state and village committees.¹⁶

Yan and Chen (2013) argue that "The intellectuals' concern for rural sustainability and their promotion of a new RRM (rural reconstruction movement) and cooperatives place them as critics of the mainstream modernisation trope that has been prevalent in the process of reform." This reflects the rural reconstruction positions (Zhang *et al.* 2012; Zhong *et al.* 2012; Zhang 2014; Yan, Guo, and Ku 2017). Since 2000, there have been many cooperative initiatives supported by civil society to rebuild rural communities (Zhong *et al.* 2012; Yan, Guo, and Ku 2017; Yan, Ku, and Xu 2020). They usually keep away from village committees (Zhang *et al.* 2012; FSNC 2016), and instead stress how local peasants wish to develop their communities. Globally, initiatives that aim to alleviate rural poverty through the cooperation of small peasants (Agarwal 2010; Sudgen *et al.* 2019) share the same caution, and question the agency of local authorities.

With regards to village committees, the foundation of self-government for rural communities, the pro-modernisation and rural reconstruction positions hold contrary opinions. The former either regard village committees as coordinating organisations that channel public goods to rural communities (like He), or rest hope in village committees to collectively manage community resources. The latter are more cautious about the top-down measures and the considerable influence various levels of government exert on village committees. Studies on China's rural governance commonly argue that it is top-down, but exceptional cases are also observed. One study on egalitarian distribution of rural farmland

finds that rural officials would choose to defy policies and regulations from China's central government when their decisions were based on popular needs and when they obtained support from local farming families (Kong and Unger 2013). Studies on rural collective economies that survived market reform also find that rural officials assembled meetings at the village and village group levels about whether to maintain the previous arrangement in order to reach collective decisions (Liu 2013; Xie 2017).

The development trajectory of Xin Village, as will be shown in the following section, explores the local dynamics of rural reconstruction. It discusses the agency of local authorities in rural China, a concern for the rural reconstruction positions, and finds that a strong village committee can resist pressure from both the government and the local villagers for the establishment of collective economy in the market era. It also examines the significance of government subsidies and investment stressed by the pro-modernisation positions and finds that the contribution of external resources to rural reconstruction depends on whether the rural community is mobilised and organised to utilise them for community-based development.

Xin Village: The transition of rural reconstruction based on collective management of community resources

Xin Village is a forestry community located in the mountainous area of Yunnan Province, Southwest China. It is 30 km away from the famous tourism destination of Tengchong City. The community resources now include 6,000 *mu* of paddy field and roughly 126,000 *mu* of forest land, with 80% of the villagers' disposable income coming from forest resources.¹⁷ Xin Village consisted of 12 villager groups, 1,179 rural households, and 4,653 villagers at the end of 2017.¹⁸ In the collectivisation era, the brigade's income came from agricultural production (e.g. rice, maize, buckwheat) and collective animal husbandry. Back then, there were only 1,500 *mu* of paddy field and 80,000 *mu* of forest, and large areas of the mountains were still barren. During de-collectivisation, the paddy fields were classified into three categories based on fertility and were equally distributed to community members (Kong and Unger 2013; Wu 2016). Likewise, mules and farm cattle on the collective ranches were distributed to households, but the ranches themselves were kept until around the year 2008.

14. It doesn't match the household responsibility system in rural China under which individual households only have small amount of farmland that is most often scattered in several locations. Such farmland is seldom accepted as collateral at banks.

15. For a better understanding of Wen Tiejun's three-tiered market scheme, see Wen's own explanation (Wen, Luo, Dong, and Liu 2018) and the analysis of Yan, Ku, and Xu (2020).

16. The innovated practice needs government seed capital (*zhongzi zijin* 種子資金) to attract villagers to establish financial cooperative at the village level. It also needs policy banks at the county level to absorb, manage, and re-invest the surplus capital from village financial cooperatives within the county.

17. "雲南'美麗鄉村'話振興 | 新岐村: '綠水青山就是金山銀山'的騰衝實踐" (Yunnan "meili xiangcun" hua zhenxing | Xinqi cun: "lvshui qingshan jiu shi jinshan yinshan" de Tengchong shijian, Rural Revitalisation in Yunnan "Beautiful Countryside" | Xinqi Village: Tengchong Practice on "Green Mountains are also Gold Mountains"), *Sina* (新浪網), 2020, yn.sina.com.cn/news/m/2020-07-06/detail-iirczymm0837863.shtml (accessed on 26 April 2021).

18. "新岐村的鄉村振興" (*Xinqi cun de xiangcun zhenxing*, Rural Revitalisation in Xin Village), Department of Agriculture and Rural Affairs of Yunnan Province (雲南省農業農村廳), 2019, <https://nync.yn.gov.cn/news14296/20191101/7036277.shtml> (accessed on 30 August 2020).

Retaining collective management over community resources

During de-collectivisation, Yunnan was the last province in China to implement the household responsibility system (Wang *et al.* 2015). The leadership in Xin Village also fought to retain collective management over forest resources on three occasions. On each occasion, the village committee strongly defended the collective management against pressure from the local government and villagers to distribute the community forest resources to individual households.

In the early 1980s, the distribution of farmland and forests to rural households caused heated discussion. In spite of the pressure from the local government and the dominant voice among the villagers that the forests should be distributed among households, members of the village committee insisted that part of the community resources should be collectively owned and managed so that public affairs could be directly funded by collective income without collecting money from villagers for each activity. To reach consensus, the village committee organised several meetings to convince the villagers. Eventually, 70% of the villagers agreed to retain collective management over 2/3 of the community forests, and each rural household obtained contract rights to 4–5 *mu* of forest. Similarly, the village committee retained collective management of the 800 *mu* of cash trees planted during the collectivisation era.

In the 1990s, timber trees in collectively managed forests were secretly cut by local peasants to be sold for money. The village committee was faced with increasing pressure to distribute the remaining collective forests to individual households in order to stop villagers from stealing from the collective. In 1997, Xin Village adjusted the distribution of the village forests. Consequently, half of the collectively managed forest land was distributed to villager groups. The other half remained with the village committee. The village committee purchased saplings to afforest the barren mountains among the one-third of forest land distributed to villager groups. Since 1997, a three-one-third co-management system (*san san zhi* 三三三制) for community forest resources was established in Xin Village. The village committee, villager groups, and rural households each manage one-third of the forest resources.

In 2006, the forestry property rights reform (*linquan zhidu gaige* 林權制度改革) was intended to further fix the forest contract rights to individual rural households. The local government commanded Xin Village to distribute all of the forest land, but faced strong opposition from senior party members in the village committee. The village committee expressed its concerns to the local government and succeeded in maintaining the three-one-third co-management system up to the present. In 2002, following the national policy of returning farmland to forestry (*tui geng huan lin* 退耕還林), over 10,000 *mu* of buckwheat plots were turned into forestry land. The village committee managed 3,300 *mu* of the returned farmland for individual households in return for 30% of the income made from it.

Since the 1960s, Xin Village established a special work team to manage the collective forest, which has remained in the reform era. By 2006, four staff of the work team were from the village committee. They are responsible for forest planting, tending, and timber auctions, for which they received a monthly salary of 2,000 RMB from the village committee. The work team also has 13 forest rangers stationed at the mountain work sites all year round. They are contract workers hired by the village committee and are responsible for fire and burglary prevention. Forest rangers are men aged over 60, receiving a monthly salary of 900

RMB. Money generated from selling timber from the collective forest (averagely 3 million RMB per year) makes up the majority of collective income in Xin Village and has contributed 100 million RMB to community reconstruction.

The transition of rural reconstruction: From internal development to government intervention

Community reconstruction in Xin Village experienced two stages. The first stage began in 2000 with the election of Director Yan to the village committee. It was the first year that Xin Village voted for its leadership. At this stage, the village committee set the goal of developing the community's forest resources rather than relying on animal husbandry and agricultural production. Director Yan suggested to the villagers that animal husbandry was not cost-efficient in that they could not produce enough animal feed from their farmland. Xin Village should reduce the number of farm animals and mechanise agricultural production in order to develop its forest resources instead. Before 2000, there were 1,200 mules and 1,600 cattle on 13,000 *mu* of collective ranch land. By 2008, 80% of the cattle on the collective ranches had been sold through the persuasion of the village committee.

The Xin Village committee made the decision to grow timber trees in the collective forest instead of pine trees to increase collective income.¹⁹ In the 1980s and 1990s, villagers were unaware of the economic value of the cash trees, so many trees were cut down for firewood or to make tool handles, or were simply sold to timber factories. Starting in 2012, Xin Village began to grow cash trees on the old collective ranches. From 2002 to 2005, Xin Village turned 3,400 *mu* of grain fields into forest land. Since the village committee purchased the trees, 30% of the income made from the timber trees was returned to the village committee. In 2017, the rural households and the village committee agreed to a new contract under which local villagers no longer had to submit any of their income after paying the village committee 300 RMB per *mu* once and for all.

To develop forest resources, Xin Village had to improve the traffic conditions to enable the transportation of timber and forestry products. Road construction relied solely on the village's collective income and community labour. Before the government supported constructing the road leading to the township in 2003, Xin Village had independently built 200 km of forest pathways and constructed 300 km of roads connecting nearby villages.

New roads made Xin Village a commercial centre for neighbouring villages. Xin Village organised market fairs every five days, each time attracting roughly 400 to 500 nearby small business owners and peasants. The village committee then set up 80 temporary sales stands and rented them to small business owners, each of which generated 3 RMB in collective income that was used to support the Seniors' Association. The market fairs also provided Xin Village peasants with opportunities to sell their agricultural produce and increase household income.

To facilitate village development, Director Yan set rules for all village committee members to be on duty in case there were urgent problems to solve. They had to eat and live at the offices of the village committee and worked for at least 25 days a month. Considering the workload of the village committee members, villagers consented to subsidise them with

19. In the collectivisation era, Xin Village grew cash trees including tea-oil trees (*honghua youcha* 紅花油茶) and walnut trees (*pao hetao* 泡核桃) in the collective forest. However, the trees had not yet generated any income for the village. In 2005 (or 2006), the village committee distributed the 800 *mu* of cash trees to the Seniors' Association to generate income for its activities.

1,000 RMB per month from the collective income.²⁰

At the first stage of internal development in Xin Village, collective income provided public welfare for community members. In 2001, Xin Village formed the Seniors' Association for local elderly over the age of 60. Each association member paid an annual membership fee of just 10 RMB. The activity funds of the association came from rental of sales stands at the market fairs and the income from the cash trees transferred to it by the village committee. The association not only provided benefits for its members but also offered self-fulfilment opportunities for seniors. The collective income was also used to promote education. The village committee set up scholarships for students admitted to colleges and universities. It also offered awards to students who performed exceptionally well in senior high school and showed the potential to receive higher education. Director Yan explained that children formed a potential talent pool for future reconstruction of the community.

Based on the collective management of the forest resources and the newly elected village committee, Xin Village managed to lay the economic foundation for community reconstruction and improved social welfare for the villagers. In 2008, Director Yan made a 50-year plan for the development of Xin Village based on the development of forest resources and the collective economy. According to the plan, the village committee would pool the land resources around the village and re-divide them into different functional zones (e.g. residence, business, leisure, production). It would create job opportunities for villagers and increase collective income.

At the second stage, the village committee attempted to transform Xin Village into a tourism resort with support from the government and external capital. Community reconstruction at this stage centred on road construction and community resettlement. It featured a combination of financial support from the government and organisation by the village committee. In 2015, the township government allocated 40 million RMB to Xin Village to upgrade the previous gravel road into an asphalt road in the name of Building a New Socialist Countryside and boosting domestic demand.²¹ The road improvement involved acquisition of farmland in Xin Village. The village committee put in 8 million RMB from the collective income to compensate affected rural households.

The Xin Village committee devised two compensation approaches. The first approach was to compensate rural households in cash according to the quality and acreage of affected farmland. Dry farmland and rice paddy fields were respectively classified into two and four ranks. The former was compensated with 10,000 RMB per *mu* and 8,000 RMB per *mu* for each rank, while the latter was compensated by 20,000, 18,000, 15,000, and 14,000 RMB per *mu* for each rank. The second approach was to compensate with collective forest land. The assessed value of forest land was 6,000 RMB per *mu*, but the value of the trees planted was assessed separately. On average, each *mu* of farmland was compensated with 2.5 *mu* of forest land. The second compensation approach not only reduced the village committee's pressure to raise cash, but also eased the concern of rural households about the loss of arable land.

Xin Village attracted many projects subsidised by the government to develop local tourism resources in the subsequent years: a parking lot for tour buses and private cars was built, a lake that covers 160 *mu* of land was newly created; 10,000 ornamental trees (e.g. cherry, maple, pear, peach) were planted around the village; and more than 300 street lamps were installed on both sides of the village roads.²² In 2015, the government hired professional designers for two local households to

make blueprints of guest houses that would receive incoming tourists. It also rewarded each household with 20,000 RMB for embarking on the construction. One guest house cost about 2 million RMB, half of which was covered by the government.

Internal development or external investment: The sustainability of rural reconstruction

Against the background of rural decline, community reconstruction in Xin Village has achieved success on many aspects, especially on the transformation of community outlook and the provision of social welfare and services. However, government intervention greatly altered the way Xin Village reconstructed the community. It disrupted the village committee's previous plan for internal development. Xin Village developed a dependency on external help, which created underlying issues that threatened the sustainability of community reconstruction.

Following the road improvement, the new village committee went further with residence construction that designated 600 *mu* of land in the village to build new houses that would be sold to local villagers. It was a plan to improve the living conditions of the villagers and transform the village outlook. However, the village committee did not have enough collective income to pay for land acquisition and house construction. Neither did it obtain the government subsidies it hoped for. The village committee therefore had to take loans from the bank and borrow from individuals to follow through with the residence construction. This left Xin Village with a debt of over 70 million RMB, and the project was about to be put on hold by the time we conducted our fieldwork in 2018.

The development of forest resources in Xin Village was also affected by government policies. In 2001, the county Bureau of Forestry supported Xin Village to grow 4,300 *mu* of walnut trees and a total of 700 *mu* of peach and chestnut trees. In 2009, the county government again encouraged local forest villages to grow three main cash trees, including walnut, ginkgo, and tea-oil trees. The climate and soil conditions in Xin Village are best suited for tea-oil trees, so they are the only cash trees that have generated any real income. However, tea oil pressed from the fruit is directly sold on the market, since further processing facilities were not put in place in the village, and market access was not opened by either the government or the village committee. The walnut trees provided by the government in 2009 did not bear enough fruit, and Xin Village had to

20. The state's subsidy to village committee members was limited. The annual disposable income of the rural population averaged 2,282 RMB in 2000, see "居民生活水平不斷提高, 消費質量明顯改善 — 改革開放40年經濟社會發展成就系列報告之四" (*Jumin shenghuo shuiping buduan tigao, xiaofei zhihang mingxian gaishan — gaige kaifang 40 nian jingji shehui fazhan chengjiu xilie baogao zhi si*, Chinese People's Living Standards Continuously Increasing and the Consumption Habits Notably Improving: Reports on the 40 years of Economic and Social Development Achievements since the Reform and Opening up (No. 4)), National Bureau of Statistics (國家統計局), 2018, http://www.stats.gov.cn/zjtj/ztfx/ggkf40n/201808/t20180831_1620079.html (accessed on 26 April 2021); and 9,430 RMB in 2013. See "居民'錢包'七十年鼓起來近六十倍, 收入來源更加多元" (*Jumin "qianbao" qishinian guqilai jin liushi bei, shouru laiyuan gengjia duoyuan*, Chinese People's Incomes Increased nearly 60 Times in 70 Years and the Income Sources Diversified), *Xinhuanet* (新華網), 2019, http://www.xinhuanet.com/fortune/2019-08/15/c_1210242431.htm#:~:text=2013%2D2018%E5%B9%B4%E5%B8%8C%E5%9F%8E%E5%95%87%E5%B1%85%E6%B0%91,%E5%B9%B4%E5%9D%87%E5%AE%9E%E9%99%85%E5%A2%9E%E9%95%8F.7%25%E3%80%82 (accessed on 26 April 2021). In comparison, during the same period, the state's subsidy for village committee members increased monthly from 490 to 1,200 RMB, slightly above the average income in the village.

21. Yang Yuting 楊玉婷, and Wang Haolei 王浩磊, "條條大路通農家 — 騰衝縣農村公路發展紀實" (*Tiao tiao dalu tong nongjia — Tengchong xian nongcun gonglu fazhan jishi*, Every Road Leads to Rural Households: Report on the Rural Road Construction in Tengchong County), Yunnan Provincial Department of Transportation (雲南省交通運輸廳), 29 August 2014, <http://www.ynjtt.com/Item/25017.aspx> (accessed on 24 May 2020).

22. "雲南'美麗鄉村'話振興 (...)" (*Yunnan "meili xiangcun" hua zhenxing (...)*, Rural Revitalisation in Yunnan "Beautiful Countryside" (...)), *Sina* (新華網), 2020, *op. cit.*

seek help from the government to graft a new variety.

In 2008, the village committee contracted cash tree resources evenly to villagers at the price of 20 RMB per *mu* per year. In recent years, the village committee intended to re-organise the rural households to manage the cash trees. In 2012, Xin Village established a forest collective that included 107 rural households. The collective planned to realise unified planning, planting, tending, and marketing of the cash trees. But by 2017 the collective hadn't gone so far as to market the products of the cash trees, which would have obtained a higher selling price for the members of the forest collective.

The retaining of collective management over the community forest resources laid the foundation for community reconstruction in Xin Village, but now the village committee rests its hope on tourism. To facilitate the development of tourism, the village committee set up a working group that specialises in infrastructure construction. The working group believes that the future development of tourism in the village depends on the government and external capital. The former could publicise the village, improve community infrastructure, and re-build village culture. The latter could provide capital and business vision for the further development of tourism resources. In fact, the current plan of tourism-based community reconstruction has determined that Xin Village cannot build the community by itself. First, Xin Village is located in a mountainous area, and its tourism resources are not well-known to the public. Second, due to the under-development of the forest resources and the lack of other income opportunities, the collective income is insufficient for further development, and Xin Village has accumulated debt. By 2017, the main tourism income in Xin Village came from government-organised tour visits and the reception of roughly 100 private tourists annually.

Reflection and conclusion: Leadership, participation, and community reconstruction

The case of Xin Village suggests that a strong community leadership can initiate community reconstruction. As shown in the first development stage of Xin Village, the village committee is the primary organisation in rural China capable of mobilising collective resources for internal community development. At the second development stage, however, government subsidies and external investment are regarded as necessary conditions for rural revitalisation. Community reconstruction centres more on the transformation of the village outlook and the provision of public goods for villagers while turning the rural community into a consumption site for urban tourists. It thus creates dependency on government subsidies and investment.

The changes of strategy for community reconstruction in Xin Village were largely caused by the shifts of leadership at the village committee.²³ In Xin Village, the village committee has not always accepted the top-down development measures suggested by the government, nor has it always obtained support from local villagers at the outset of each change. Rather, the election of Director Yan and his departure from the village leadership altered the pathways of community reconstruction. Other cases (Zhang 2015; Lv 2017; IPES food 2018) also find that a strong leader is key to the initiation of community reconstruction, even if it means that the leader has to take personal risks and the pathway is unpopular when first suggested. In the reform era, the re-collectivisation of community resources challenges the HRS that set the tone for rural reform. Thus, strong leaders who insist on collective management are exceptional.

Pragmatically, such experiments can be allowed by the government or even introduced to other villages because of the accomplishments they make. In 2014, Document No. 1 encouraged the establishment of collective economies, which has made it an important measure for rural revitalisation. More favourable social-political and policy environments have been created for the collective management of community resources and the emergence of strong village leaders. However, the sustainability of community reconstruction depends on whether community members are mobilised and whether external support can be utilised by a mobilised community rather than dominating it (FSNC 2016; Lv 2017). Perhaps only then will community reconstruction have a chance of surviving a change in village leadership. This is precisely the underlying problem of Xin Village.

Community reconstruction in Xin Village lacks participation from the villagers. They have not participated in the decision-making process regarding the management of collective forest or the plans for community reconstruction. They were only paid labourers in infrastructure construction. Community reconstruction in Xin Village neither required the participation of local villagers, nor stopped them from out-migration. Since 2017, the number of villagers out-migrating for urban jobs has increased with the decrease of construction projects in Xin Village.

In conclusion, this article uses the case of Xin Village to examine the role of village leadership and the relationship between internal mobilisation and external help. It shows that collective management of community resources lays an important foundation for reconstructing rural communities, but a strong village leadership is required to retain this legacy from the Mao era when faced with pressure from the state and community members in the reform era. Thus, the case challenges the concern of rural reconstruction positions on the agency of village committees. For pro-modernisation positions, this case also shows that community mobilisation is the social condition for government subsidies and investment to effectively contribute to community reconstruction.

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■ Siyuan Xu is Lecturer at the Department of Humanities and Social Development, Northwest Agriculture and Forestry University, 3 Taicheng Road, Yangling District, Xianyang, Shaanxi, China. Her research interests include rural development, agrarian change, development studies, and food (seed) sovereignty (xusiyuan708@163.com).

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23. Director Yan left the village committee in 2013, due to disagreements with other members of the village committee and the village-level Party branch, as well as health issues. However, Director Yan and other village leaders whom we interviewed during the fieldwork were reluctant to talk about the exact content of the disagreements that caused Director Yan's departure.

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