The Tenancy Problem in China

By MARQUETTE ATTERBURY

CHINA, like all countries in Asia, has had a complex problem of land tenure and distribution. But possibly because of her long history and high degree of culture, she has made the most successful advances toward solving it. Dr. J. Lossing Buck's monumental survey, *Land Utilization inChina*, is our best source of quantitative data on the land problem. According to Dr. Buck's sampling, from 1929-1933, 54 per cent of all the Chinese farmers already owned their land; another 46 per cent owned at least half of their own land and rented the rest—the remainder were exclusively tenants. Here the proportion of owner-operators is larger than it was in the United States in 1937. The report of the National Resources Committee at that time gave 47 per cent farm ownership, 10 per cent part ownership, and 43 per cent tenancy. The poverty of China's agricultural masses was partly caused by the lack of available population on the resources rather than to inequity of land distribution. Dr. Buck estimates that if all the arable land in China were divided equally among the people, each farm family would have about 4 acres. This is hardly enough for a decent standard of living.

Dr. Franklin L. Ho, well-known economist of Nankai University, has said that China's land problem cannot be solved merely on the land; other essentials must be introduced. Better methods of land utilization must be taught in order to get the highest possible production from such land as there was, for the majority of the population who were owner-operators: Industrialization must be increased to draw off the surplus population. Then better conditions might be established not only for the lot of the tenant minority. Above all, the nation must have security from aggression without and subversion within.

When the Nationalist Government took power in 1927, it was confronted with these tremendous challenges. The Communist wing of the Nationalist party made things even tougher. When the army entered Nanking, the Reds expelled the foreigners. Chiang Kai-shek, who wanted to pattern his government after the Western democracies, expelled the Communists from the Kuomintang, and they organized a rebel Soviet in Kiangsi, the heart of China. The new government was faced with this secession simultaneously with one of the greatest floods in history. The length and breadth of China, farmers were faced with drought, famine, disease, or starvation. The numbers involved were equal to the total population of rural United States. Dr. T. V. Soong, as chairman of the National Flood Relief Commission, handled the emergency with great efficiency. He asked for cooperation from American and British experts. Earth for dykes was moved, sufficient to form a wall around the globe at the Equator, six feet wide and six feet high. Dr. Buck then conducted a survey of the National Government's very enlightened rural reconstruction program.

Dr. J. Lossing Buck said of this program: "The Communist Government in the North has received a much better press than the National Government although its actual accomplishments in the field of technical agriculture are slight in comparison." *(Some Basic Agricultural Problems of China, page 99).*

Dr. Gerald Winfield, author of *China: the Land and the People*, says: "In spite of all the propaganda to the contrary, the Central Government and Kuomintang China have achieved a great deal more than have the Communists in undertaking the complicated practical programs that can eventually rebuild the country. National China is further equipped with technicians and technical experience. Already first steps have been taken toward the solution of technical problems in the fields of agriculture, engineering, public health, and other activities." According to Dr. Buck it would be a mistake to suppose that the so-called "land reform program" of the Communists won the farmers, since, in North China, the first area to get in, there was already per cent farmer-ownership in whole or in part.

Generalissimo Chiang Kai-shek was coping with the political crisis while Dr. Soong battled the flood. The Communists were driven out of Kiangsi, and before starting on their famous Long March to Yenan, demonstrated their use of mass murder as a terror weapon. The Dean of Changsha Medical School told me the testimony of the villagers, that the Reds had gone to door after door, demanding that the men go with them on the Long March. Those who refused to go were killed.

Nationalist leaders, many of whom had been educated in America, tried to find their government an easier path of codification of system of law, and a Constitution that should be ratified by popular vote. This was what Dr. Sun Yat-sen called "The Period of Tetrarchy," when the people were being educated in the art of self-government. The Land Law passed in 1930 followed the principle enunciated by Dr. Sun Yat-sen that those who tilled the land should own it. A ceiling of 37.5 per cent of the principal crop was placed on rent. A tenant-purchasing program was blue-printed. Taxes were based on an adaptation of the New Zealand system: the owner was allowed to evaluate his own land, but if the value was high, the taxes were high in proportion. If the value was reported low, the government had the right to buy the land at that price for distribution to tenants. Chekiang was selected as the model province for putting the rent-reduction program into practice. An enthusiastic group of young reformers swarmed in to improve the lot of the tenants. For the first year, the 37.5 per cent ceiling on rents was maintained throughout most of the province. But this reduction of landlordism was reducing the price of all land; and as the majority were already owner-operators, the program was hamstrung by popular opposition.

Dr. Franklin L. Ho, now in Columbia University, has described the Communist land system as confiscation and arbitrary distribution, with the village as a unit. The arable area belonging to the village is arbitrarily cut up into equal-sized plots for all those in the village. This, obviously, does not improve the financial position of the farmers, when most of the original farms were too small for adequate subsistence. With the expulsion of Western agricultural experts, the improved land-utilization program has been curtailed. The present outcry against "bacteriological warfare" is a confession of how neglect of public health has let epidemics get under way. Article 6 of the Mao-Stalin Pact declares that the People's Government must reduce the population of China by 100 million; this process is now actively being carried out, with what misery to the people can hardly be imagined by comfort-loving Americans.

Fortunately, Taiwan presents a far brighter picture than the mainland. The pilot projects in land reform have there been applied on a nation-wide scale; for the island is a nation in its own right, approximating Belgium or Holland in size and population. The reforms that work on Taiwan are viable under similar conditions anywhere in Asia. Premier Chen Cheng came from a farmer's family, and has been a champion of rural rights. He had previously conducted a rent-reduction program in Hupheh which worked as long as he was there to supervise it. Now he applied this experience to Taiwan. The Joint Rural-Reconstruction Commission of two American and three Chinese experts helped to get the rent-reduction working. All the tenant farmers on Taiwan were given a rent ceiling of 37.5 per cent of the principal crop instead of the usual 50-60 per cent. If the original rent was lower than 37.5 per cent, it could not be raised. The landlords and tenants had to sign a contract guaranteeing a term of tenure, this contract to be registered with the government. Inspection by the Provincial Land Bureau and the Joint Rural-Reconstruction Commission ensured observance of the law. The universal application of this rent-reduction program had an immediately beneficial effect. The production went up so much that the landlords' 37.5 per cent share was not much less than their former 50-60 per cent. The tenants used their increased income to improve their houses and their general living standards. The price of land dropped with the rent-reduction, and land-purchase was no longer a profitable speculation. So the landlords used their surplus capital for much-needed industrial financing. The lowered price of land facilitated a tenant-purchasing program, financed by government loans. About 20 per cent of Taiwan's land is owned by the government. This land was made available to the farmers on a low rental basis, or for purchasing. Ex-Ambassador William C. Bullitt, in the May Reader's Digest, has called Taiwan "China's Valley Forge." The principles of representative government versus tyranny that our forefathers fought for in our battle for independence, are at stake there. China's Constitutional Government is an impressive demonstration of how liberal democracy can improve the people's livelihood. Taiwan is the show window of Asia. We hope, when the nightmare of Communist despotism shall pass, that the blessings enjoyed by the farmers in Free China may be extended to all Asia.