

MODERNIZATION AND THE PEASANTS OF QINGKOU TOWN

BY ZHAO YAN AND OTHERS

Zhao Yan, a journalist with the Beijing-based magazine *China Reform*, has come under mounting pressure as a result of articles he's written describing the plight of peasants at the hand of avaricious officials. Earlier this year Zhao was forced out of *China Reform*, apparently after lobbying by Fuzhou officials. Following is one of Zhao Yan's articles relating to a peasant controversy in Fujian Province.

In recent months our magazine has received a steady stream of complaints from peasants throughout China regarding appropriation of land. The situation described by the farmers of Qingkou Town, Minhou County, Fuzhou City in Fujian Province is especially noteworthy. Further inquiries by our journalists indicate that while on a superficial level the village has undergone considerable change, a number of local officials have exhibited behavior at odds with the Three Represents concept.

Lifeblood sold for 800 yuan

One day in the autumn of 1995, a thrilling rumor rippled among the 20,000-odd peasants in Qingkou's key agricultural villages of Jishan, Hong'er, Hongsan, Hongsi, Fuzhu, Lienfeng and Meiling: "A Taiwanese company has invested an enormous sum to build an automotive plant in Qingkou Town—we may become automotive workers!"

A stream of publicists and work teams circulated through the villages, town and county, and local officials made extremely attractive promises: Each villager would receive 10,000 yuan in unemployment compensation, all retirees aged under 50 would receive a pension of 60 yuan per month, and at least one person in each household would have an opportunity for employment at the automotive plant. The peasants thought it sounded like a good deal, and eventually all of the affected villages agreed to give up their land, allowing an expeditious start to construction of the Dongnan Automotive Plant.

The Dongnan Automotive Plant broke ground in the winter

of 1995, and soon afterwards, modern factory buildings began to rise on the land the peasants of Qingkou Town had occupied for generations. But up to the present day the peasants have not received any of the benefits promised to them by their government.

On August 31, 2002, several dozens of retirees from Hongsan and Hongsi Village tearfully related to reporters, "The promises the county government made to us in the autumn of 1995 were very good. We thought each household would end up with tens of thousands of yuan in unemployment compensation, and at least one family member would have a job at the automotive plant. We figured we could use the compensation money to start up alternative trades, or invest collectively in a business. But someone seems to have gotten their wires crossed, because all we ended up with was 800 to 1,000 yuan each. We gave up our source of livelihood for 800 yuan—how can that be reasonable?!"

No matter how it's calculated, 800 yuan does not reflect the value of the land given up for the Dongnan Automotive Plant. So how much did the Dongnan Automotive Plant actually pay to lease the land of these several villages in Qingkou Town?

On September 3, 2002, our team of three journalists arrived in Minhou County. Under the guidance of the County Party Vice-Chairman, we inspected a document entitled "Feasibility Study by the People's Government and Party Secretariat of Fuzhou City Regarding Expediting the Development of the Automotive Industry," which contained the following statements regarding benefits to the peasants:

"The main automotive plant will require an area of 1,200 mu; the spare parts warehouse will require an area of 1,200 mu, which will be allocated to the overseas investor to develop for this purpose. The price of the lease is 13,000 yuan per mu (including taxes and fees). Of this, 10,000 yuan per mu is for compensation to the peasants, with the remainder to be collected by Minhou County for infrastructural development connected with the automotive plant. The governments at the municipal and county levels should take the aforementioned funds and apply them in their entirety to invest in Qingkou Town for infrastructural development. . . ."

If this stamped document is genuine, the compensation of

10,000 yuan per mu set aside for the peasants was on the low side, but what was the basis for only paying them unemployment compensation of 800 yuan per person? The reporting team decided to dig further.

Where did the money go?

How much money was actually paid for the land for the Dongnan Automotive Plant?

On September 3, 2002, our reporter received a telephone call from a person describing himself as an official with the Fuzhou Municipal Party Secretariat. The official, who declined to give his name, told the reporter, “The compensation for the peasants’ land was retained by the Minhou County and Qingkou Town governments. The head of Minhou County at that time, for the sake of administrative achievement, used most of the peasants’ money to invest in shares of the automotive plant.” He further disclosed, “For the initial investment of 1.3 billion yuan in the Dongnan Automotive enterprise, the Taiwan and mainland parties were each to invest 50 percent. Of the mainland share, Fuzhou City was to invest 10 percent, but the city committed to only half of that, while Minhou County was to cover the other half. Because Minhou County’s financial situation was weak, it didn’t have enough money to invest, so it used most of the peasants’ compensation to pay for its portion of the shares.”

Under these conditions it’s a wonder that the farmers received even 800 yuan!

The Party Secretary for Qingkou Town, Chen Huojin, had an alternative explanation for what happened to the peasants’ money.

On September 4, 2002, Chen told our reporters, “At that time we took into account that most of the peasants were not very sophisticated. If we had given all of the compensation to them in a lump sum, we were afraid they’d spend it all at once. So we put the bulk of the compensation into a County Agricultural Foundation project, which included a production support fund, a grain rations fund, a deposit fund and a pension fund.”

We asked, “Did you discuss the matter with the farmers before putting most of their money into funds? How much interest accrues from the funds? Are the farmers free to join or withdraw from the funds? How is the contract drawn up for farmers to participate in the funds? If the funds lose money, who bears responsibility for covering the loss?”

Neither Chen nor the town head accompanying him addressed these questions.

Chen explained, “The Dongnan Automotive Plant enterprise is using more than 4,000 mu of land, to be completed in two phases. According to the contract with the Taiwanese company, the compensation for land appropriated for the first two phases is the same. What the peasants are reflecting now are questions regarding compensation for land used in the second phase. How can we change a contract that has already been signed? Our government has to live up to its commitments to the overseas business.”

The peasants showed our reporters a document from 1996 entitled “Response by the People’s Government of Fujian Province in Relation to the Appropriation and Lease of Land for

Construction of the Dongnan (Fujian) Automotive Industrial Co. Ltd. Project,” which contained the following:

People’s Government of Fujian Province:

Following research, it is agreed that land should be appropriated from the following villages of Minhou, Qingkou: Meiling—4.5837 *gongqing*¹; Linfeng—2.486 *gongqing*; Hongsan—1.204 *gongqing*; Fuzhu—1.1289 *gongqing*; total 9.4 *gongqing*; for the purpose of lease to the Dongnan (Fujian) Automotive Industrial Co. Ltd. construction project (of this land 1.7347 *gongqing* is to be controlled for national, municipal and town roadways). The lease is limited to 50 years commencing from the date of issue of this document. The price of the lease is 9,463,920 yuan (which includes a lease management fee of 137,000 yuan). Costs and construction associated with connecting the project to existing infrastructure are subject to a separate contract. The unit occupying the land is responsible for payment of tax according to regulations. The lease fee should be paid within 60 days of the signing of the contract. (Journalist’s note: the price per mu works out to an average of 67,120 yuan.)

People’s Government of Fujian Province

December 31, 1996

From the above document it is clear that the price paid under the lease for the second phase was different from that of the first phase.

On September 4, 2002, our reporters learned from the Minhou County Government that the Qingkou villages of Hongsan and Hongsan transferred a total of 1,060 mu of land between 1996 and 2001; assuming a compensation payment of 10,000 yuan per mu, peasants from the two villages should have been paid a total of 10.6 million yuan, but in fact all they were paid was 2.48 million yuan. The villagers have no information on how the town and village government disposed of the remaining 8.12 million yuan.

Calculated on the basis of the average payment of 45,000 yuan per mu for the second phase, the total lease fee should have been 47.7 million yuan; subtracting 2.48 million yuan, that leaves 45,220,000 yuan unaccounted for.

In the lease agreement for the Qingkou villages, the land compensation fees paid to county officials ranged from 27,000 yuan per mu to 90,000 yuan per mu, which the villagers found even more incomprehensible.

The villagers received neither the payments promised to them for giving up their land to the development project, nor the jobs they were promised. But someone certainly took advantage of the development of the villagers’ land to make a great deal of money.

Villagers’ petitions meet with resistance

At the end of 1996, the peasants from these several villages began to feel that the promises initially made to them were hollow, and they began to petition. They appealed dozens of times to departments of the provincial, municipal and central governments, then initiated legal proceedings to resolve the issue.

On March 21, 1997, while the Fujian Provincial People's Congress was in session, dozens of peasants petitioned the Provincial People's Congress with their grievance. That same night, the county and town governments organized a police squad to round up the petitioners. Peasant petitioner Wu Yanhai set off from Hongsi Village when he heard the news that his brother, Wu Yanhuo, had been arrested and delivered by police vehicle to the Qingkou Dispatch Station without even being allowed to put on his trousers. That day, family members of other petitioners all received threatening phone calls with a similar message: "If you petition again, we'll annihilate you!"

Under threat, the peasants could only change their petitioning tactics. They sent hundreds of registered letters to Beijing and Fuzhou. In the first half of 2001, dozens of peasants went in shifts to petition at the doors of the Fujian Provincial Standing Committee and Provincial People's Congress.

In early July of 2001, the Minhou County Public Security Bureau anti-organized crime squad established a special team and suddenly arrested villagers Wu Shisong, Zheng Tianlong, Wu Yigan (Wu Shisong's brother), Wu Jianlin and Zheng Longqi on criminal charges. Following their arrest, the villagers were subjected to repeated beatings in custody and were forced to kneel for extended periods.

Because Wu Shisong suffered from a liver ailment, combined with the commotion raised by hundreds of peasants complaining to the provincial leadership, on July 31, 2001 the Minhou County Public Security Bureau was forced to release the men on bail.

Following his release, Wu Shisong approached the town government to refund a portion of 5,000 yuan agreed for a share purchase, in order to pay back the money his family had to borrow to secure his release. A town official informed him, "You are a criminal suspect, of course the share money does not exist." Wu Shisong was dissatisfied, and despite his illness went back to the county and municipal governments to press his case. On August 30, 2001, although fully aware that the seriousness of Wu Shisong's liver disease made it inadvisable to take him into custody, Minhou PSB officers again arrested Wu Shisong and the others.

After Wu Shisong was detained, his wife, Chen Baoying, went with a lawyer several times to apply for Wu Shisong's release pending trial, and while PSB officers sent a report to the county government leadership on several occasions, the leadership consistently refused the request.

On March 5, 2002, the county politics and law commission held a special meeting to discuss this matter, and according to the official record of the meeting, "Following research by members of this committee, it is decided that the case be referred to the procuratorate for prosecution." As a result, the procuratorate initiated a prosecution against Wu Shisong.

At the end of May 2001, the critically ill Wu Shisong was sent to the Fuzhou Municipal Prison Infirmary for emergency treatment. On the morning of June 11, Wu's family received notice from the Minhou County Court telling them to pick Wu up at the hospital.

When Wu's family reached the hospital, Wu had already been discharged and left at the side of the road. He drifted in

and out of consciousness; his abdomen was so distended that he looked as if he were about to give birth, and his thighs were swollen to the size of an elephant's.

On July 13, 2002, a court judge telephoned Wu's family and told Wu's brother, Wu Yinglong, "Even if Wu Shisong can't walk, you must bring him to court, otherwise his wife will be arrested."

On July 16 the Minhou County Court held its first hearing in the case against Wu Shisong and the others, and on the same day reached its verdict, sentencing Wu and the others to a minimum of 10 months in prison for "forcing a transaction by violence or coercion," and fining each of them 10,000 yuan.

On August 9, 2002, Wu Shisong died.

Crowds imprisoned for destroying an illegal wall

As soon as one wave recedes, another rises.

In May 2002, peasants from Hongsan Village discovered that a 1.91-mu plot of land in their village had been privately sold to an overseas businessman, Mr. Wu, by village head Wu Wenbo (originally a resident of Hong'er Village). The peasants, who regarded the land in their village as their lifeblood, reported this matter several times to the town and county leadership, to no avail. More than a dozen peasants finally rose up in anger and knocked down the wall surrounding the Xinrong Machine Factory that the overseas businessman had built on the property.

On August 7 the peasants once again knocked down part of the wall. At 3:00 p.m. that day, people from the factory rounded up villagers Wu Genjin, Wu Yijian and Wu Chengwu, and they were taken into detention by the Qingkou Town PSB.

On the afternoon of September 3, 2002, our reporters went to the Minhou County PSB and asked, "If an overseas businessman takes possession of peasants' land without the proper land transfer papers, what does that constitute?"

Vice-Director Lin replied, "An unlawful act."

Reporters asked, "Should a wall be protected if it has been built on land that has been occupied without permit?"

Vice-Director Lin replied, "Of course not."

Reporters asked, "If it has been ascertained that the wall has been built on illegally occupied land, and peasants knock it down, can this be understood as protecting the property on behalf of the government, and also protecting the peasants' legal right to the land?"

Vice-Director Lin said, "Yes."

Reporters asked, "Vice-Director Lin, do you know that the property on which that factory was built has up to the present not gone through the necessary legal paperwork?"

Vice-Director Lin said, "I don't know."

Vice-Director Lin called in the officer handling the case and asked him about the documentation of the property. The police officer handling the case confirmed that "in fact that enterprise had not processed the legal paperwork." Vice-Director Lin told reporters that "if there wasn't any legal paperwork, they will be detained for 30 days and then released."

On September 13, 2002, the Minhou County PSB issued arrest warrants to the families of Wu Yijian and the others.

Later that month reporters returned to Fuzhou for

inquiries. On the morning of September 25, reporters inquired again at the municipal and county land offices regarding whether the paperwork had been processed for the Xinrong Machine Factory, and learned that no legal paperwork had been processed.

On the afternoon of September 25, the Minhou County PSB again issued a notice requiring those suspected of damaging the property of the Xinrong factory's Taiwanese proprietor to turn themselves in. The peasants said, "We were protecting our rights to our last piece of property according to the law, where is the crime in that?" Under the direct intervention of Party General Secretary Wu, the Minhou County PSB had no choice but to arrest and try the three peasants on November 26, 2002.

When will the village accounts be balanced?

According to the financial committees of the affected villages:

1) In 1998 an automotive factory was built in Hongsan and surrounding villages, which did not issue an open tender in accordance with the requirements in the "Regulations Governing the Tendering of Village Contracts." At the time, village resident Wu Guobin was willing to take on the construction work at a cost of 120,000 yuan, but his offer was turned down.

Instead, an individual with no resources was contracted for the construction at a stated price of 146,000 yuan, but according to disclosures made by the village accountant, the actual construction cost was 380,000 yuan. In recent years, construction projects have all been carried out through unusual contracting methods; for example, a bridge and park infrastructural project were both carried out without open tenders, and were assigned according to private agreements.

2) Wu Jianhua of the Hongsan Automotive Repair Service paid 2,400 yuan for an advertising billboard, but to date there has been no sign of the billboard.

3) The village office of Hongsan Village had hosting expenses in January 1998 of 13,000 yuan. That is one of the few figures villagers are aware of. If all of the village accounts were made public, many more problems would be discovered.

4) In 1997 Hongsan Village purchased an electrical generator at a cost of 135,000 yuan, but used it for a total of less than 100 hours. In 2000, under the pretext of "housecleaning," the village sold the generator off at a price of only 35,000 yuan, according to the receipt. But further inquiries by reporters established that the generator was actually sold for 70,000 yuan. It is not known what happened to the remaining 35,000 yuan.

5) In 1999 there was a distribution of public funds, and a member of the village committee, Wu Liangzeng, received 2,000 yuan. When Wu asked what this was all about, the person handling the matter said, "You got your money, what more do you want to know?"

6) Jishan Village has not made adequate unemployment provisions for its 633 villagers. Since the village's land was appropriated in October 1996, and the payment was made to the village coffers, up to the spring of 1998 the Jishan Village committee had distributed only 500 yuan and 150 cattles of grain per year to each villager.

Upon the insistence of the peasants, the Minhou County Finance Department allots one million yuan to Qingkou Town each year for the purpose of compensation for appropriated land. The "Bulletin of the Village Meeting Regarding the Qingkou Town Dongnan Automotive Project Land Appropriation" of June 23, 2001 acknowledges that, "Because of the commotion raised by a portion of the villagers in May of this year, which affected the Town Party Secretariat, the government undertook research into the distribution model for compensation for confiscated land. At the same time, it is necessary to remind each village that it is necessary to use strict procedures in distributing these funds, to use the designated detailed distribution model, to call a meeting of the village representatives to reach a decision, and to deliver a copy of that decision for filing with the town government."

After considerable difficulty, the peasants from each village received some compensation. Residents of Hongsan Village each received 1,000 yuan, and those from Hongsan village received 600 yuan each. But the villagers were still not satisfied. They said, "We should be given compensation for the years 1997 to 2002 as well. And we should have a share of the money that the county invested in shares in the Dongnan Automotive Plant . . ."

Our reporting team concluded its inquiries in Minhou, having developed a strong feeling that there were no suitable avenues of communication between the villagers and the government. The relevant government departments were more accustomed to protecting themselves than to administering the law, and this only added fuel to the fire of conflict with the peasants, which continued to deteriorate and worsen. It appears that the Minhou leadership really needs to take to heart the "Three Represents" concept, and implement "Government for the People."

This magazine will continue to monitor the compensation of the Qingkou Town peasants for their land.

Translated by Stacy Mosher

1. One *gongqing* is one hundred mu, or 10,000 square meters.