## University of Macau Department of Government and Public Administration



## Defending Land Use Right in Nanhai:

Institutional innovation in China's Grass Roots and its Limitations

Abstract: Influx of global capital and hunger for revenue have prompted unabated demand for rural land in recent years. While many of these encounters have ended in violent exchanges between aggrieved peasants and local officials, farmers in Nanhai of Guangdong have responded with an institutional innovation maximizing their own interests. Shareholding firms founded on the basis of their land leases have blossomed in the area since 1990s. Thriving on the acquiescence of the central state and support of village officials, the new system is a testament to the creativity of Chinese peasantry and incremental nature of Chinese reforms. The future of this system is however, bleak. The collusion between the obsession of state regulation and fiscal interests of local governments appears to be too strong for local reformers. The presentation will look into the dynamics of institutional change in China today.