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## Land Property Rights and their Influence on Innovations in Rural Societies in South West China

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### Abstract

This presentation looks at the transformation process of land property regimes in rural China. Using the New Institutional Economics as a theoretical framework, it analyses different institutional settings and their influence on the adaptation of innovations in land-use decisions.

In the scope of the Sino-German research cooperation “LILAC: Living landscapes China” the authors studied several villages in Xishuangbanna prefecture, South West China. The region is well known for the cultural diversity of its many ethnic minorities such as Dai, Akha, Bulang or Lahu. Starting in January 2007, an in-depth situational analysis was conducted combining (amongst other PRA tools) extensive observations and narrative life histories with a stratified, semi-standardised household survey.

After 1982, serious changes in land use rights have been implemented: collectively managed land was transferred to the communities to be rented out to individual farmers on a contractual basis. Usufruct rights were guaranteed for a period of 15, later 30 years. According to the Government of the People’s Republic of China (29<sup>th</sup> Meeting of the 9<sup>th</sup> National People’s Committee, 2002), land adjustments during these periods are prohibited by law. Farmers are entitled to prolong contracts if necessary. This transformation process has not yet been fully completed. The research area has undergone dramatic economical development from subsistence farming to high revenue agriculture. This process was based on the introduction of cash crops such as rubber, tea and hybrid rice. The authors identify, analyse and discuss appropriate institutional arrangements to meet the demands of economical development, ethnic diversity and biodiversity. In this context, they analyse advantages and disadvantages of traditional collective institutions, private property and hybrid arrangements.

Research results suggest that rural societies show a great diversity in institutional arrangements when managing their natural land resources. Often, these arrangements are non-transparent, and formal and informal institutions show considerable differences. Thus, they can be susceptible to misuse and do have a great impact on biodiversity and sustainable land-use.

**Keywords:** Biodiversity, China, institutional analysis, natural resource management, poverty alleviation, property rights, sustainable land-use