

The Assertive Center: Beijing Moves Against Local Government Control of Land

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During the past year there have been numerous signs of an increasingly assertive central government in China. Now, Beijing has promulgated a series of measures that aim to dramatically change the way urban land markets work, curtailing local government discretion and greatly increasing central government oversight. These measures strike directly at the most important single source of power and income for local government officials. Combined with the fall of Shanghai First Party Secretary Chen Liangyu, these actions indicate a significant shift in the balance of political power in China away from local governments and toward the center.

A Stronger Center

Numerous Chinese government policies of the last few years have been predicated on a stronger and more assertive central government. The central government's budgetary position has improved steadily since the mid-1990s, so that the government has the money it needs to carry out its most important objectives. A booming economy has increased government resources, while also increasing policymakers' confidence. The rural fiscal and government system has become much more dependent on central government financial transfers; and a series of educational and health policies have been rolled out under central government direction. Economic policymaking agencies at the center, from the People's Bank to the Ministry of Commerce to the State Asset Supervision and Administration Commission (SASAC), have laid out more ambitious and assertive national economic programs.

Among this cluster of central government policies, recent shifts in urban land policy have a special importance. From the beginning of reform, the central government has had little control over urban land, and has drawn little from land as a revenue source. Since the early 1990s, though, urban land has been a crucial source of local government power and resources, and an important channel through which corrupt local officials line their own pockets. Numerous social and political problems have grown along with these distorted urban land markets—problems that, until recently, the center had only tackled in piecemeal fashion and without much success. Starting in the fall of 2006, the center has launched a comprehensive set of new land policies, creating a new national land Superintendency, dramatically increasing oversight of urban land markets, and imposing many new rules on those markets. Especially remarkable is the fact that these measures

are explicitly designed to monitor and restrict local government officials, whose abuses of the system are directly targeted. Given that there is so much at stake, and that the discretionary powers of local officials are directly targeted, it is clear that these policies represent a significant shift in the balance of political power. Implementation will further increase central government control and resources, and deprive local officials of crucial discretionary revenues and patronage resources. As if to underline the significance of the power shift, adoption of the new measures was punctuated by a juicy political scandal, the fall from power of Shanghai's Party secretary, Chen Liangyu.

Chen Liangyu

Chen Liangyu was the top Party official in China's economically most important city, and the top local leader of the nationally powerful Shanghai faction of former Party boss Jiang Zemin. The fall of a figure of such importance will have implications in many different areas. In his article in this issue, Cheng Li explains and analyzes the implications of Chen's fall in the context of the political factions that compete and coexist in the national leadership. In this piece, I examine a different, but related context to Chen Liangyu's fall, which is that of national versus local government contention for power and money.

In addition to his position in important national political factions, Chen Liangyu served as a kind of de facto spokesman for local government interests in the face of national government power. In each of the two successive rounds of macroeconomic crackdown—in 2004 and 2006—Chen Liangyu spoke up against central government measures to cool and recontrol the economy at the expense of local interests. In those instances, it appears that Chen was rude and dismissive to national leaders, especially Premier Wen Jiabao, and this may have contributed to his fate. More important for our purposes, however, Chen Liangyu articulated a relatively coherent view in favor of unfettered market solutions to land use issues, combined with a fairly free hand given to local governments.

A record of Chen Liangyu's speeches and comments, supposedly compiled by the official Xinhua News Agency, has circulated electronically since his fall. While it is impossible to verify the authenticity of all the comments reported, most appear to be authentic and are consistent with contemporaneous reports. These quotations show clearly that land issues played a central role in the policy opposition between Chen and Beijing: urban land deals were not merely the accidental venue of the corrupt practices that brought Chen down, but rather a systemic area of contention between center and local. One long quotation from Chen Liangyu is worth reproducing:

There's no one forcing anyone to buy a house. . . . New housing built in the prime central city locations, or in small developments with a pleasant green environment and convenient transportation, those homes are usually large and expensive, even very expensive. But there's no problem of "excessive prices," because the market will naturally provide a balance

determining whether prices are excessive. If apartments are too expensive, nobody will buy them. So how can the prices be excessive? Isn't the matter as simple as that! . . . If, say, we were to build some low-standard housing in the city center to allow ordinary people to afford it, then they would not consider real estate prices to be excessively high. But would that be in accordance with the laws of the market and of economic development? . . . Lowering housing prices is a problem that should be resolved through the relationship of market supply and demand. To try to solve this problem by holding meetings means trying to solve the problem through administrative measures. But administrative measures cannot resolve a problem of market supply and demand, because supply and demand have their own scientific laws. So here's the real problem: A problem that's not really a problem has been treated as a problem, and then unscientific measures have been deployed in hopes of solving a problem that's not really a problem. People like this running things—now that's a problem!¹

In this quotation, we hear echoes of Chen Liangyu's characteristic arrogance, but we also hear him lay out a coherent position in opposition to central government efforts to regulate and restructure local urban land markets. Chen stands for free market solutions to urban land use issues, and, indirectly, for the "rights" of local officials to manage their economies free from administrative interventions by the central government.

Beijing's actions since September 2006 have been directed not only against Chen as an individual, but also against the system and the functioning of local land markets that Chen defended. Indeed, the corruption and abuse of power with which Chen Liangyu has been charged have to do with business transactions directly and specifically related to land use issues.² To make a long story short—cutting out the lurid details about Formula One race courses and multi-million-dollar vanity projects—Chen ordered that money from the city's pension funds be invested in real estate projects in which he had an indirect family interest. To the inherent sensitivity of land issues, Chen's actions added another sensitive national issue, the solvency of pension funds. These important economic and systemic issues were as much a part of Chen Liangyu's fall as was his position as an advocate of the "Shanghai gang," or any other political faction.

Real Estate

In each of the recent rounds of macroeconomic contraction, in 2004 and 2006, issues about control of urban real estate have surged to the foreground. Urban real estate lies at the intersection of a number of the most critical national policy issues, many of which are discussed in the next section. However, it was the intersection of land issues and macroeconomic problems that really brought land onto the policy radar screen in Beijing. On the financial side, the banking system had vigorously shifted its lending toward the housing sector in order to reduce its dependence on lending to state-owned enterprises, so

housing had become an important part of overall financial and monetary policy. More critically, as central leaders struggled to cool off the overheated economy, beginning in 2004, they came to see tightening of land requisition procedures as being a key tool to reduce economic overheating. One of the main reasons that local officials were so eager to approve new investment projects, and keep pouring resources into investment, was that land development provided them with tremendous opportunities for profit. From the perspective of local officials, land was the one resource that could be acquired nearly for free, but could be converted into a lucrative source of income and patronage. Local leaders fought hard to maintain their control over land, even as central leaders, from 2004 on, repeatedly stressed the need to follow regulatory procedures.

The crucial turning point in the contention between central and local governments over land came on 5 September 2006, when the central government issued a new document on land (State Council Document No. 31), at the same time that it rolled out a new supervisory system to monitor urban land transactions.³ These measures finally put in place a sets of institutions and regulations with real authority. Issues of land control had been talked about—and been the subject of central government documents—almost continuously since 2004. As is the practice in the Wen Jiabao government, the new 2006 round of policymaking began with the articulation of a set of broad principles. On 17 May 2006, Wen presided over a State Council meeting that adopted the “State Council’s Six Principles [*Guo Liutiao*]” for real estate markets.⁴ Those principles emphasized development of housing for lower and middle classes, and also emphasized the general new push to increase regulatory oversight of the entire real estate sector.

The September measures, though, were substantially more concrete and had more real “teeth” than any previous policy. The September document corresponded with the roll-out of a national system of urban land supervision. Sun Wensheng, the minister of land and natural resources, was named national land superintendent (*guojia tudi zongducha*), and Vice-Minister Li Yuan was named vice-superintendent. Gan Zangchun, the head of the ministry’s policy and regulation section was moved over to become a full-time VICE-Superintendent. The new Land Superintendency was to set up offices in nine cities: Beijing, Shenyang, Shanghai, Nanjing, Jinan, Guangzhou, Wuhan, Chengdu and Xi’an. Although all these cities are provincial capitals, by setting up the offices in individual cities, rather than in provinces per se, the objective was to create a national supervisory system separate from the governmental hierarchy. In that sense, the new administrative structure is parallel to that set up for the People’s Bank of China in 1998, and related to the current effort to hive off the local statistical bureaus from local governmental control, and make them subordinate to the national statistical agency instead. Document No. 31 specifically says that the National Land Superintendency should step up its supervision and investigation of local “People’s Governments.”

To reinforce the impact of supervision, Document No. 31 also specified that responsibility for land use would be vested with the provincial leadership. Provinces were to be the principal unit of approval and accountability, and land use compliance was to be an important performance indicator for the province head. The top leader of each administrative division at any level (county, municipality, etc.) was to be held

accountable for land use decisions and implementation in his or her jurisdiction. However, the annual land use plans are to be approved at the provincial level, and only then submitted to the State Council for review. A substantial implementation effort has been made to have these principles in place during the 2007 planning cycle.⁵

With a supervisory system in place, the other provisions of the September regulations may have a real impact. Most important was the new requirement that cities book the entire revenue from land sales as budgetary income, and then record the outlays from those revenues separately as budgetary expenditures. For the first time, then, local governments would be required to account for the revenues they receive from land. Because this requirement is relatively simple, it might be fairly effective. Bringing the financial flows into the daylight is also the key to making some of the other policies (many of which had previously been promulgated) more than a dead letter. These include the following:

- Land may not be given away free or sold for less than a standard minimum, which the local government must publish.
- Land should only be auctioned in an open and competitive bidding process.
- Rural land can only be requisitioned if adequate provision is made to compensate farmers, not only for the land value, but to make arrangements for their social security.
- Land requisition and compensation fee standards in both rural and urban areas should be raised, which is expected to increase the final sales price of industrial land by between 40 and 60 percent⁶.

This is a rather remarkable list. It represents a systematic attempt to shift the operation of urban land markets on to a regularized and fairly transparent system. To do so would represent a major shift in power and wealth, one that will naturally be resisted by current beneficiaries.

Implications of Land Market Shifts: Limited Progress in the Past

Many past attempts of the central government to exercise greater control over land markets have come to nothing. Back in the 1980s, when urban land markets were first beginning to develop, the central government tried to claim a predominant share of land revenues, on the grounds that urban land was owned “by the whole people.” This attempt failed completely, and only created obstacles that slowed the development of urban land markets. It was not until the early 1990s, following Deng Xiaoping’s Southern Tour, that urban land was really opened up and de facto control given to local governments. The result was an enormous surge of speculative development, and a new network of relationships between local officials, state enterprises, real estate developers, and financiers. Many projects collapsed in the wake of the macroeconomic stabilization of 1995–97, but the basic mode of doing business was by then well established. Land was the foundation of local government’s economic clout, and the most effective way to get rich. That has remained true in the decade and more since.

The surge in urban land development after the early 1990s, and the relative absence of oversight, created a host of new problems. Problems in at least three separate but interrelated areas can be identified: unfair taking, affordability, and inefficient uses. First, both urban and rural landholders lost their land rights in unfair transactions. Urban residents were often evicted from the customary residences with inadequate compensation; rural farmers were subject to land requisition, and adequate compensation frequently did not reach the farmers directly affected. Politically, complaints by farmers that their land was being taken by local officials for developers have exploded in recent years and clearly become the single most important source of rural and suburban political protest.⁷ Second, much real estate development was focused on luxury units, including suburban villas in gated communities. The commercial supply of low- and middle-income housing did not keep pace. Meanwhile, though, overall housing prices increased rapidly in desirable urban centers, so overall worries about affordability increased substantially. Third, requisitioned land was not often used with the intensity and efficiency one would hope for in a densely populated, land-scarce economy like China's. Large blocks of rural and urban land were purchased by developers and held for speculative purposes, or only partially developed. Land was converted to low-quality, environmentally destructive industrial uses. Flouting of land approval procedures contributed to massive land degradation and environmental pollution. Policymakers tried to address these problems individually on many occasions, without much success. As a result, policymakers gradually began to address the power and incentives of local governments as a whole.

For example, in 1998, concerns about excess conversion of farmland to commercial uses led the government to limit the market, and subject it to "planning," allowing only local governments to purchase or requisition agricultural land for non-agricultural purposes. A recent in-depth study of land markets in China revealed that the result was a perhaps predictable reduction in the price that farmers got for their land, since they now faced a monopoly buyer.⁸ Also in 1998, municipal governments were encouraged to adopt the policy pioneered in Hangzhou of creating urban land banks, which were designed to assist restructuring bankrupt state enterprises by unlocking the value in the land they sat on. Local land banks were adopted in many cities, sometimes with little or no relation to restructured state enterprises.⁹ These extra monopoly powers and added flexibility gave local officials almost a free hand, particularly when combined with the freedom to keep land transactions off the books, or else to simply account for the net revenues after a series of outlays have been made.

Land became a primary source of local governments' patronage and wealth. Moreover, urban land became a resource for local development strategy. Development-oriented local officials regularly offered land for free, or at reduced prices, to attract foreign investors or local developers. Various localities compete with each other to offer more favorable terms to domestic and foreign businessmen, potentially creating a "race to the bottom" of tax breaks and land giveaways. At the same time, local officials—like local development agencies in the United States—get to feel as if they were making a difference to local growth by making such deals. To achieve all their objectives, local

officials had to be making deals: they had to be investing in projects and developing land. This is part of the background of the surge in investment and economic overheating that began in 2003. Indeed, it is one of the reasons that the Chinese economy has the highest investment rate of any large economy in history.

During 2004, emerging macroeconomic problems began to change the way the central government viewed the land problem. While hitherto viewed as a cluster of interrelated local problems, the local land system began to be seen by central policymakers as a serious obstacle to the center's ability to exercise macroeconomic control. During the macroeconomic contraction of 2004, the network of local connections over land use came under attack by the central government for the first time. The large steel project Tieben in Jiangsu became a poster child, a negative model that included all the worst aspects of the existing land system: it had been requisitioned from agricultural land, outside proper channels, for a heavily polluting project in which local officials had a substantial undeclared interest. In the wake of this scandal, the center rolled out a programmatic document, State Council (2004) No. 28, which initially caused substantial turbulence in real estate markets. Among many other things, this document outlawed the practice of giving away land free or at a discount to developers, and set out principles and planning procedures aimed at making transactions more transparent.¹⁰ However, most accounts agree that actual practice did not change much, although it was disguised through various subterfuges.

Perhaps the clearest indication of the ineffectiveness of policy was the steady stream of central government documents reiterating more or less the same points. In 2005, State Council "Opinions" in March were followed by a State Council "Notification" in May. Noticing that each of these contained eight main points, the media began to refer to them jointly as the "New and Old Eight Articles." What these proclamations had in common was an overly broad approach that reasserted principles and prohibited certain specific activities, but rarely paid attention to the actual mechanisms of enforcement and control or to the incentives local actors faced.¹¹

Certainly these measures had not succeeded in slowing the growth of investment, which had in fact surged during the first half of 2006. By the second half of 2006, the National Development and Reform Commission (NDRC), the former Planning Commission, was going through a comprehensive re-registration of all new investment projects, visiting 22 provinces and seeking to weed out obviously faulty projects and restrain a huge surge in the scale of projects under construction. This effort was motivated by the fear that substantial excess capacity was emerging in several key sectors that could tilt the economy into recession if industrial demand growth were to lose momentum. The NDRC has identified six sectors with serious excess capacity—steel, aluminum, ferrous alloys, calcium carbide, coking, and autos—plus several more with emerging excess capacity. According to Ma Kai, the NDRC head who also led the re-registration of investment projects, projects in those excess-capacity sectors are especially prone to evade regulations on land use and approval processes. The NDRC's investigation found serious violations of regulations in 26 percent of steel and electrical projects, 35 percent of cement projects, 39 percent of ferrous alloy projects, 42 percent of

coal projects, and nearly 50 percent of coking projects.¹² Clearly, the center's intention to control investment by tightening supervision of land use regulation had not been successful by mid-2006. These were the experiences that led to the intensification of control over land at the end of 2006.

Open Attack on Local Government Privileges

Since the beginning of the 2006 round of macroeconomic contraction, central government officials have evinced a willingness to directly criticize and confront local government officials over economic issues. As we noted in the previous issue of *CLM*, the State Council openly rebuked the government of Inner Mongolia for failing to implement macroeconomic policies at an early stage of the contractionary policies.¹³ This assertiveness has continued throughout the policy changes in land regulation, with a persistent willingness to state that the targets of increased regulation and oversight are local government officials.

By the end of 2006, the government was rolling out the new land superintendency. The national office and two of the nine regional bureaus (those in Beijing and Shanghai) were in operation by year-end. Moreover, the Ministry of Land and Resources had begun to put its stamp on the whole process. Perhaps not surprisingly, the Ministry people staffing the new superintendency put their emphasis on the urban land use plan. Every municipality has a land use plan, of course, but in many cities it is little more than a statement of future intentions. The new regime seeks to make the land use plan a binding plan for the actual quantity and location of land developed. The total amount of land to be developed during the course of the year is to be reported by the municipality, and only land actually developed can be credited against the quota of potentially developable land, which will be strictly controlled. The objective is to force land out of land banks and speculative holdings into active development.¹⁴ Inspection is to be increased; and the plan is to become compulsory (*zhilingxingde*).

To enforce these regulations—and to achieve the related goal of controlling local officials' resources—the superintendency is to cooperate closely with the Ministry of Finance (MOF). The MOF will itself disburse the funds for land requisition; the Land Superintendency will be responsible for monitoring the actual use of the land; and upon Land Superintendency certification of actual use, the MOF will release to the local municipality the land use fees charged.¹⁵

In addition, to controlling (and reducing) the total amount of land developed, the new regulations seek a much more intrusive control of the uses to which land is put. Since 2004, policymakers had tried to get local governments to boost the share of modest-sized and reasonably priced housing in their total housing investment. Starting in 2007, many land bureaus will simply not approve the construction of any more detached villas (*bieshu*), and in some cases, will not approve any housing units above 144 square meters (the dividing line between “luxury” and “economical” housing). Moreover, industrial land conversions are now supposed to follow national industrial policy. The

Land Superintendency during 2007 will promulgate a list of forbidden and restricted industrial uses, which is to be consistent with the 2005 industrial policy guidelines published by the National Development and Reform Commission.¹⁶ This is no small matter. The NDRC's industrial policy list is a 70-page document that lists encouraged, restricted, and forbidden industrial sectors, technologies, and efficient scales of operation.¹⁷ If fully implemented, these changes would substantially add to the bureaucratic costs and impediments of the market for land development. They exemplify the very use of administrative measures to regulate market interactions that Chen Liangyu railed against in his earlier quoted remarks.

Stronger and More Assertive Central Government Agencies

Coordination between the Ministry of Land and Natural Resources and the NDRC would mark a significant escalation in the authoritativeness of both agencies. The NDRC's industrial policy guidelines have heretofore been rather weak, and influence over land use decisions would give them an important new instrument. Clearly, the policy changes described in this article have already led to a much more powerful and intrusive Ministry of Land and Natural Resources. This trend toward more powerful and assertive central government agencies is evident in other arenas as well. An important example has been the recent promulgation by SASAC of a programmatic document outlining a set of principles for its ongoing restructuring of central government-owned enterprises.¹⁸ According to SASAC's new set of principles, the central government should maintain an absolute controlling interest—that is, a 51 percent or greater ownership stake—in seven sectors. These are military industry, electric power generation and distribution, oil and petrochemicals, telecommunications (basic infrastructure and services), coal, civil aviation, and ocean transport. In addition, SASAC identified a second area, composed of sectors such as industrial machinery, automobiles, electronics, and steel, where the government will maintain a relatively strong influence over a small number of key firms. The share of government ownership in those sectors will continue to decline, but the government's influence and ability to upgrade the sector will, in theory, be increased by the actions of these superior firms. The government will maintain a controlling, but not necessarily majority, share of these firms. Altogether, these administrative changes indicate a strengthened resolve by central policymakers to use central government agencies to control the macroeconomy more directly, and more effectively.

Conclusion

Will today's effort to control urban land markets and local officials be more successful than those policies in the past? It is easy to see that this effort will be more effective than previous efforts, because the central government has far more invested in this effort than it has had in anything up to this point, and the measures have been crafted to directly target the behavior of local government officials. If these measures fail, it will be because "push back" from local politicians was strong enough to overcome a declared central government priority, and it would cause a tremendous upset in political relationships. In fact, it is likely that the center will be able to make these changes, at least for the

immediate future. This in turn means that a big change in the political equation is occurring. The central government is striking at the base of local political power, and will likely curtail the power and influence of local governmental interest groups.

Such policies may have social benefits, but they will certainly have economic costs. Effective and transparent management can keep the economic burden of regulation to a minimum, but there is no guarantee that this will be the case for these complex, intrusive, and many-sided regulations. If the new land-regulatory regime causes a significant slowdown in construction and urban development, it will surely be revisited, perhaps at the 17th Party Congress in October. Indeed, the extension of central Party control should perhaps be evaluated in the context of the preparation for that Party Congress. In the run-up to the Party Congress, issues that reshuffle control can be effectively used to shape personnel selection for the congress. If they are so used, then the imperatives of reining in local officials may become much less urgent after the 17th Party Congress is over.

Notes

¹ Xinhua News Agency Internal Reference Materials, “Chen Liangyu’s speeches and writings selected,” at http://chinadigitaltimes.net/2006/10/internally_collected_quotations_of_chen_liangyu_chinese.php. See also Liang Jing, “Hu Jintao yu Chen Liangyu you shemma chubie? [What’s the difference between Hu Jintao and Chen Liangyu?]” *Xin Shiji* 24 October 2006 (<http://www.ncn.org/asp/zwginfo/dakay.asp?ID=69966%20&ad=10/23/2006>).

² For good accounts in English, see Cheng Li’s article in this issue, and Areddy, James, “Flash Point: Corruption Crackdown Targets Shanghai Inc.; Beijing Sends Signal, Stalling Glitzy Projects Of City’s Ousted Chief,” *Wall Street Journal*, 26 February 2007; Page A1, or <http://online.wsj.com/article/SB117072475510299033.html>.

³ State Council, “Guowuyuan guanyu jiaqiang tudi tiaokong youguan wenti de tongzhi [State Council notification on several problems relating to the intensification of adjustment of land],” at http://news.xinhuanet.com/politics/2006-09/05/content_5052303.htm. A good discussion is Yang Liping, “Tudi xinzheng ‘zaikong’ defang zhixingli [The new land policies ‘re-control’ localities’ power to execute],” *21 Shiji Jingji Baodao*, 22 September 2006 at <http://www.cn-ee.net/houtai/smdongtai/read.jsp?id=10837>.

⁴ Yan Zhao, “Wen Jiabao zhuchi Guowuyuan huiyi chutai ‘Guoliutiao’ zaiyi fangji [Wen Jiabao presides over the State Council meeting to show off the State Council Six Articles and again suppress housing prices],” *Dushibao*, 18 May 2006, available at <http://news.sohu.com/20060518/n243282467.shtml>. The six principles are (1) develop low- and middle-income housing; (2) bring tax policies to bear on real estate development along with credit and regulatory policies; (3) restrain demolition of existing cityscapes and prevent over-rapid redevelopment; (4) improve regulatory oversight; (5) develop secondary and rental markets for low-cost housing; and (6) improve housing information. See the summaries and links at <http://business.sohu.com/s2006/guoliutiao/>.

⁵ Zhang Xiaosong, “Guotuziyuanbu dui chengshi jianshe yongdi shenpi fanshi zuochu zhongda tiaozheng [Ministry of Land and Resources makes major adjustment of construction land approval procedures],” *Xinhua*, 22 January 2007, at http://www.gov.cn/jrzg/2007-01/22/content_503889.htm; Sun Rongfei, “Chengshi jianshe yongdi shenpiquan xiafang shengji zhengfu [Approval powers for urban construction land approval sent down to provincial governments],” *Diyi Caijing Ribao*, 23 January 2007, at <http://news.sina.com.cn/c/2007-01-23/033412108737.shtml>. While the approval process formally has been decentralized from the national to the provincial level, this clearly represents an attempt to increase the effective control of the central government.

⁶ State Council (2006), No. 31; and Yang Liping, “New land policies.”

⁷ Yu Jianrong, "Social Conflict in Rural China Today: Observations and Analysis on Farmers' Struggles to Safeguard Their Rights." *Social Sciences in China*, March 2005, pp. 125–36.

⁸ Jiang Xingsan, Liu Shouying, and Chang Hongxiao. "Land Report Calls For Thorough Reform," *Caijing Magazine Newsletter*, 20 February 2007. Jiang and Liu are members of the China Land Policy Reform Taskforce of the State Council Development Research Center. Available at <http://caijing.hexun.com/english/home.aspx>.

⁹ Jiang, Liu, and Chang, "Land Report."

¹⁰ "Guowuyuan guanyu shenhua gaige yange tudi guanli de jue ding [State Council decision on deepening reform and strictly managing land]," 24 December 2004, at <http://www.people.com.cn/GB/shizheng/1026/3078631.html>.

¹¹ Liu Jianneng, "Xinlao Guobatiao: Louxhi zhiben lixing duoying [The New and Old Eight Articles: Getting to the Root of the Property Market, Logical and Win-Win]" *Nanfang Zhoumo*, 19 May 2005, at <http://bj.house.sina.com.cn/news/yjgd/2005-05-19/155675435.html>; Li Jin, "Cong Guobatiao dao Guolilutiao: Loushi tiaokong kao luoshi [From the Eight Articles to the Six Articles: Adjustment of the Property Market Needs to be Realistic]" 22 May 2006, at <http://house.enorth.com.cn/system/2006/05/22/001310733.shtml>; Ke Peng, "'Guoliutiao' chutai loushi xinyulun tiaokong haojiao zongyu chuixiang [The Six Articles Emerge; The Signal of a New Round of Adjustment in the Real Estate Market Finally Resounds]," *Shanghai Zhengquanbao*, 18 May 2006, at <http://business.sohu.com/20060518/n243283769.shtml>.

¹² Ma Kai, "Keguan quanmian bawo zhengce; qieshi zuohao xinkaigong xiangmu qingli ducha gongzuo [Objectively and comprehensively master policy; do the work of inspecting and rectifying new construction projects well]" 13 October 2006, at http://www.ndrc.gov.cn/ldjh/t20061016_88539.htm.

¹³ Zheng Weiqiang, "Guonei hongguan tiaokong jinru disan jieduan [PRC macroeconomic reconrol enters its third phase]" 23 August 2006. Appeared originally at <http://zhengweiqiang.chinavalue.net/showarticle.aspx?id=41618&categoryID=3>.

¹⁴ Ye Feng, "Guotubu: 2007 nian tudi tiaokong zhengce gengjia chaojin [Ministry of Land and Resources: In 2007, the land control policy will become even more strict]" 21 *Shiji Jingji Baodao*, 28 December 2006, at <http://www.nanfangdaily.com.cn/jj/20070101/dc/200612280043.asp>.

¹⁵ Ibid.

¹⁶ Ministry of Land and Resources, "Guotubu Fagaiwei lianhe fachu tongzhi xinxianzhi jinzhi yongdi xiangmu mulu fabu shishi [Ministry of Land and NDRC jointly issue notification on issuance and implementation of catalogue of newly restricted and prohibited land uses]," 9 December 2006, at http://news.xinhuanet.com/house/2006-12/19/content_5505801.htm.

¹⁷ State Council, "Guowuyuan guanyu fabu shishi 'Cujin chanye jiegou tiaozheng zhanxing guiding' de jue ding [State Council decision on promulgating "Temporary regulations on adjusting the industrial structure]," 21 December 2005, State Council (2005) No. 49, at http://www.gov.cn/zwgk/2005-12/21/content_133214.htm; National Development and Reform Commission, "Chanye jiegou tiaozheng zhidao mulu (2005 nianben) [Catalogue of Industrial structure adjustment guidance]," 2 December 2005, at http://www.sdpc.gov.cn/zcfb/zcfbl/zcfbl2005/t20051222_54304.htm.

¹⁸ "Guoziwei: Guoyou jingji ying baochi qui qige hangye de jue ding kongzhili [SASAC: The state-owned economy ought to maintain absolute control over seven sectors]" 18 December 2006, Xinhua Report. At http://www.gov.cn/jrzg/2006-12/18/content_472256.htm. The official document does not contain the specific list of seven sectors. It is "Guanyu tuijin Guoyou Ziban tiaozheng he guoyou qiye zhongzu de zhidao yijian [Guiding opinions on advancing the readjustment of state capital and the reorganization of state-owned enterprises]." Available at http://www.sasac.gov.cn/2006rdzt/2006rdzt_0021/gzw/03/200702050217.htm.