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LAND REFORM  
TAIWAN

Philip M. Raup  
Oct 5, 1965

JCRR ANNUAL REPORTS ON LAND REFORM IN THE REPUBLIC OF CHINA

- From October 1948 to June 1964 -

Compiled by the Farmers' Service Division,  
Sino-American Joint Commission on Rural Reconstruction

Taipei, Taiwan.  
October 1965

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JCRR's Annual Report on Land Reform in the Republic of China

Chapter I Land Reform Program from China Mainland to  
Taiwan Province (October 1948-February 1950)

Land tenure reform, the most important but the most difficult of the programs to carry out, required comparatively the least amount of money. But it required, more than anything else, a faith and strong will on the part of the authorities in power. The spiritual return in the sense of social justice was invaluable.

In the minds of the Commissioners, the Joint Commission provided a unique opportunity to carry out some preliminary steps toward land reform. The "Land Reform" slogan of the Chinese Communists which had caught the imagination of many western observers and which appeared to have been an important element in the rising success of the Communist movement in China did contain an element of indispensability for the rural needs of the country. The Communists, however, went too far by resorting to confiscation of land. The National Government, on the other hand, had done almost nothing to reform the land. Even before the people. When they were told that the people would be given land reform, "Production first, land reform later," was their reply. In view of the politically explosive nature of land reform, the Commission intended to concentrate its efforts on agricultural production and leave land problems for the time being. A Land Unit was formed in JCRR in January 1949 to prepare for future programs.

A. Land Reform in Fukien

But in January the Office of the Seventh Prefectural Director in Fukien submitted a land reform and rural reconstruction project which proposed to extend the land reform program already underway in Lungyen Hsien, by acquiring all agricultural lands in Shang-hang, Yung-ting, Wu-ping, Lion-cheng, Chang-ping and Chang-ting hsien by their respective governments through eminent domain proceedings and distributing them to landless farmers as a means of helping tillers to own their own lands. This scheme was to be completed in one year and required a subsidy of \$39,000 for all six hsien.

The Commission promptly sent an inspection team on a two-week survey of the Seventh Prefecture in southwestern Fukien. The survey team to Lungyen hsien found that in areas where land had been distributed to owner-cultivators, an average household of four people got 15 mow of farm land. The houses in the villages were well kept and in good repair. There was tidiness everywhere. The people were neatly dressed; there were no beggars or thieves in the district. Peace and order were conspicuous. The number of schools had increased by the year and even school girls worked on farms, a sight unseen anywhere else on the mainland. The land of Lungyen is not rich, but extra work meant additional income for the farmer and, more important, it was additional income which he could keep for himself and his family.

Land reform was not a panacea for all the farmer's ills. In Lungyen, he was still faced with the scarcity of land and he had no further means of paying debts incurred on occasions of marriage and funeral, for there was no rural credit. Nevertheless, the benefits of land reform could be seen: they were definite and tangible. The land reform of this Fukien prefecture populated by 890,000 people averaging 4.5 per family affected a total acreage of tillable land of 2,250,000 mow thus averaging slightly than 11 mow per family.



On the recommendation made by the report of the survey team, the Commission resolved to institute a regional program on rural reconstruction for the area which was to be preceded by a general program of rural land reform. In March a general agreement was reached between the Commission and the Prefectural Director's Office as to the principles and details of the program, and in April a formal contract was made. As the first step, a grant of \$95,926 was approved to institute three major projects of the program, a land reform project for the six hsien, an irrigation project, and a farm credit project for Lungyen. This step ushered in the first chapter of the JCRR land reform program.

In making this decision, the Commission had some specific reasons for selecting this region for the experiment. In the first place, it was assured that the program of rural reconstruction can be effectively carried out only in areas where the economic framework and social structure are built on a sound basis of which a good land tenure system was the first prerequisite. A part of this area had successfully finished a program of rural land reform in 1947 while other part had initiated a similar program early in January 1949. In the second place, the JCRR had recognized that the reform of China's agriculture and the reorganization of her rural community was its primary task. These tasks can be accomplished only in area where both economic and social forces can help the work.

The program was designed on the basis of various projects and view submitted by local governments and organizations and extensive JCRR field work, including visits, observations, inquiries and discussions with farmers, workers and officials. The aim of the land project was to acquire, as has been mentioned, all farm lands by local government eminent domain proceedings and distribute them among those qualified farmer applicants with compensation in terms of land bond in kind to the landowners. The lands may also be transferred between owners and tenants if owners or both parties wish to transact. In this case tenants were to pay compensation to the owners either in lump sum of 250% of the average rent in kind of the latest three years or in installments within a period of four years at 20% interest. Lands thus distributed would be subject to government regulation in regard to their use and transference. To operate the program, three kinds of administrative organizations in various local self-governing areas were to be established.

When JCRR surveyers got to the zone, the project was underway in three of the six hsien. Both government officials and leaders in these three hsien were vigorously supporting the project by taking action which served as examples to the people. The magistrates of these three hsien took the lead to divide their own farms among their tenants. This example was immediately followed by people to the extent that the owners even declined compensation or consideration offered voluntarily by their former tenants. On this question, however, the compensation of land price was decided at the rate of 250% of the annual rent for the land purchased.

Land reform officers in all six hsien were set up but the program was immediately confronted by three major problems. One was the lack of trained personnel. Each hsien was able to recruit only two-thirds of the necessary qualified personnel. Another question pertained to the method of distributing lands. Some hsien were distributing land by heads regardless of occupation; efforts now had to be made to distribute land only to farmer. The third problem concerned disbursement of JCRR funds, a problem common during all the period covered by this General Report. While work was carried out according to schedule, funds were not regularly disbursed by the Commission due to communication difficulties, a fact which affected the progress of the project.

This "Lungyen program" was in a real sense, an integrated program, some mention of which was made in the foregoing chapter on irrigation. Indeed, it was at Lungyen, more than at any other place, that the Commission became fully aware of the vast significance of a fundamental but hitherto only latent fact. The fact recognized here which made a profound impact on the Commission's thinking was that maladjustment of distribution has been at the root of most of the rural problems. The benefits of technology and increased production do not in and by themselves meet the desired goals of an effort aimed at uplifting the people's welfare. The prerequisite for the fair sharing of these benefits is a basic provision for fair distribution of land which in turn can help to increase the fruits of technology and production. Thus, other projects become subsidiary to the main project of land reform and all become part of an integrated program based on a sound foundation. The land reform program in Lungyen was of immeasurable importance to the development of JCRR's program in this field, providing, as it were, a compass by which the Commission was able to steer a safe and successful course in its efforts at land reform through the following months.

Land reform was originally one of the most important slogans of the revolutionary platform enunciated by Dr. Sun Yat-sen. Dr. Sun, a native of Chungshan Hsien in Kwangtung, was familiar with the evils of the dyked farm tenancy system in Chungshan. The Commission investigated the system with the conclusion that any effort of increased production on such farm would only aggravate its exploiting relationship without any actual benefit to the farmers. Warmed by such a rural condition, Dr. Sun adopted the method of rent reduction as a means to improve China's land system. At the First Kuomintang Conference held in Canton in 1924, a 25% reduction in rent was accordingly made the most important item in the party's agrarian platform. The average rent was assumed to be 50% and the 25% reduction was to have established a standard rent of 37.5% of the main crop, a rate which has remained on the official platform of the Kuomintang for twenty-five years but which was never until recently realized, owing, in the first place, to the Northern Expedition which followed from 1924 onward and in the second place, to absorption of the nation's attention to the Japanese threat culminating in the eight years' war between 1937 and 1945. After the war, the Executive Yuan in 1946 decreed a one-fourth rent reduction for all formerly Japanese-occupied provinces. In 1947, the Executive Yuan again decreed a 25% rent reduction for all non-occupied provinces. These measures, lacking determined backing, both met with frustration.

The Lungyen region, meanwhile, had its first experiment of land reform when the Chinese Communists occupied the area in 1929. Soon after the occupation, the Communists proclaimed a radical program of land reform for the district, which essentially was to confiscate by force all private lands and distribute to the peasants. The steps taken under the program were: (1) All lands owned by landlords, rich farmers and private lands for religious purposes were confiscated without compensation and distributed to poor farmers, tenant farmers, farm laborers and "Red Guardians" for cultivation. (2) Land was distributed with town or village as the unit. The area received by each farmer was determined by the area of a town or village divided by the number of qualified farmers in the locality. (3) Qualified farmers in each area were to receive an equal share of land regardless of sex or age. (4) Lands were classified into three grades according to fertility and then divided, besides by acreage, by grade of land so as to make the distribution fair both in size and in fertility. For three years the program was vigorously executed throughout the hsien except in three towns where Communist influence was checked by the local people. To some extent the program was also pushed into six other hsien where the JCRR was later to assist.



Early in 1932 troops of the Provincial and National Governments combined to take over the area from the Communists and a chaotic period ensued which pitted land operators against former owners or their heirs. The Provincial Government decided that some better program must be developed for the area and a new policy must be set up which would take into consideration the total number of family members and the number of this group who were able to work. Land owners who were also farmers and who were able to prove their ownership rights had the first chance to buy land. This program was instituted by the 19th Route Army, famed for its defense of Shanghai early in 1932, which, in control of Fukien as provincial troops, rebelled against the National Government in early 1934.

The essence of the 19th Route Army program was, while maintaining the status quo of these lands made by the first reform, to redistribute the land to every inhabitant regardless of his economic and social status. The procedure adopted in the program was as follows: (1) Land was distributed with the town as unit; the area given to each person was decided on by dividing the area of the town land with the population. (2) Each inhabitant was to receive a share of land without regard to occupation, age or sex. Lands given to persons working in government, industry and business in other places were classified as "reserved land" to be kept by the local government for cultivation. Reserved land might be operated by owners' dependents or by other farmers who had surplus labor. Crops on the farm were due to the tillers who paid the land tax and 2% of the crop as contribution to the rural reconstruction fund. (3) Lands once distributed were declared non-mortgageable and nonsalable. (4) To adjust the supply and demand between population and land, a registration of birth, death and marriage was made annually. Where deaths or marriages (of girls) occurred, lands due to the deceased or brides were withdrawn by the government and distributed to areas where birth or marriage (of boys) took place. In cases where lands withdrawn could not meet the amount of lands needed for distribution, an order of priority was arranged according to the date of birth and marriage, and lands were to be given according to the order.

This program, which began at the end of 1932, was brought to a close in June of 1934 when the 19th Route Army was suppressed by the National Government troops. Lands affected by the reform in the region extended to eight towns, but lack of accurate and complete data on population and land had greatly affected the fairness and accuracy of the distribution effort.

In spite of their radical nature, both the Communist program and the 19th Route Army program failed to establish an equitable land tenure system in this region. The Communists emphasized the interest of the proletariat as a class thereby misinterpreting and misapplying the principle of social equatity and consequently depriving a large part of the population of its means of subsistence. On the other hand the 19th Route Army's program had gone to the extreme of giving land to all inhabitants thereby allowing the existence of tenancy and keeping effective the means of exploitation enjoyed by landlords of their tenants. Both programs were unsound in theory and practice with the result that the region went through a state of disorder and turmoil after each reform. The consequence of the reforms led to a rapid decline in farm production and increased class hostility between owners and tenants.

In 1935, after the Fukien rebellion led by the 19th Route Army had been suppressed, the National Government, through its local authority, launched a program to restore the original land ownership. The purpose of the program was to bring back the land ownership conditions of the pre-reform years through a process of registration, grant of title and fixation of the amount of rent. The program was operated amidst the struggle between land-owners and farm tenants. By virtue of legal protection, landlords exercised their right over their lands by eviction or termination of leases. Tenant farmers acted in defense by holding on to the farm and rent by resorting to violence. For several years hardly anything was accomplished. In certain areas the program gave rise to more disputes rather than settlements.

Not until 1943 were effective measures taken to remedy the chaotic land problem of this region. A new land reform program there was undertaken by the Provincial Government in that year under which farmers were assisted to acquire farms already in their possession upon payment to the government of a fixed amount of price for the land. Landlords, on the other hand, were required to sell their lands to the government from which they were to receive just compensation. The procedure was as follows: (1) All agricultural lands were to be acquired by the local government by eminent domain proceedings and distributed to the farmers for operation. (2) Each farmer was to receive a certain number of production mow (a production mow was supposed to raise two piculs of unhulled rice annually) the amount of which was to be decided by dividing the town land acreage by the town population. (3) Each farm family was to receive a certain number of production mow for four persons. Families with more than four members were to receive additional land proportionately. (4) Farmers who received land were required to pay the land price to the government and the latter turned the payment over to owners either in land bond or cash or both. The price of the land was determined at the average value or the average crop yield of the land of the preceding three years, and paid in installments within ten years. (5) Transfer of land might be directly transacted between owners and tenants, with government representatives as witnesses.

This program, begun in December 1943, was successfully completed by the end of 1947 despite strong opposition from various quarters. Through the program, a record of 262,458 mow of private farm lands were acquired by the government and 32,242 farm families were converted into owner operators. The largest area each family acquired was 20 mow, the smallest, 10. Except on certain types of public lands (5,813 mow of public domain and educational land) which were not within the scope of reform and were rented out for tenant operation by local government and organizations, not a single tenant could be found throughout Lungyen hsien.

Analysis of the success of this reform brings out several important factors. The two previous reforms had changed greatly the status of both landowners and farm tenants. The reforms had made farm tenants into actual owners of the land they cultivated, and the legal landowners had merely nominal title to the land. A deadlock ensued which left no way of solution except a compromise which could give compensation to both parties without destroying their benefit. The 1943 reform, on the other hand, avoided the mistake of the Communists and acquired land by fair compensation instead of arbitrary confiscation. It also corrected the mistake of the second reform by distributing land only to tillers instead of including non-farmers. It solved the physical deadlock between owners and tenants and established a land policy of "only operators could own land".

In view of the success achieved by the third reform in Lungyen a new program on land reform and rural reconstruction was proposed and presented to JCRR in January, 1949 by the Seventh Prefecture Director's Office and the Lungyen Hsien Government. With JCRR assistance, the plans for this reform were reinforced, and in March certain measures were jointly decided upon by the Commission and the Prefectural Office. To ensure that the project be successfully carried out, the Commission requested the Fukien Provincial Government to vouchsafe the position of the Prefecture Director and the magistrates of the hsien concerned during the period of operation.

All private farms not tilled by the owners themselves were subject to acquisition by the local governments for sale to land needy peasants who were to pay the government in lump sum or in installments within a period of four years. A system of priority was established whereby lands were to be distributed in the following order of preference: original tenants on the land they tilled but which was retained by landowners for self-cultivation, direct dependents of servicemen in the armed forces, land-owners who wished to till



the land themselves, and farm owners, tenants or laborers who lacked or needed land for operation. Land once distributed was subject to government regulation in regard to their use and transference. In executing the program, a working organ was established for each of the four administrative levels: prefecture, hsien, town, village and pao. Except for the foregoing modifications, the program followed the general pattern of the 1943 reform. The other difference between the two programs was in several technical aspects such as the appraisal of land value, payment of land price, and omission of land survey. These changes were designed to meet local conditions and simplify the project work.

In a short span of time rapid progress was soon evident. By the end of May, 1949 three towns in Shanghang and two towns in Yungting had completed the land distribution work. There were six other towns in these two hsien where the work of distribution was fully in progress. Other hsien were busy preparing for action. Work analysis of four selected towns showed that 7,881 farm families of tenant farmers were converted into farm owning families through distribution of a total area of 77,441 mow of land. Progress was greatly stimulated by the fact that most of the local officials took the lead in the reform by dividing their own land to tenants before other land-owners followed suit.

It has been pointed out that land reform ironically gave rise to certain problems such as restrictions in the physical expansion of farms imposed by shortage of tillable land and restrictions in credit facility. The increased amount of farm income after reform was counterbalanced proportionately by increased expenditures on higher standard of living costs, such as for better food, improved housing and clothes. Therefore, in event of an emergency, farmers were short of the necessary capital to meet sudden needs. In such cases their only resort was to obtain loans from rich merchants or from affluent farmers, guaranteed by mortgages on their farms.

To help solve this problem, the JCRR undertook a project of farm credit which began with three kinds of farm credit loans: fertilizer, buffalo purchase and debt relief. The Farmers' Bank of China was entrusted with the operation of this project whereby funds were to be administered by a special committee organized by the local government and people. It was stipulated that when loans were refunded by the beneficiaries, they would be devoted to a revolving fund. This program operated through farmers' cooperative organizations in the locality. All applications for loans were made through those organizations and were investigated by a combined staff of persons from the local government, the local Agricultural Extension Office and the Farmers' Bank of China before a grant was made. By the end of May 1949 over 10,000 applications were received from 52 farmers' cooperatives in 12 towns of which almost 5,000 were granted. The distribution of 40,412 catties of fertilizers was made to 4,473 farmers for an estimated area of 13,500 mow. The increase of production by this first distribution of the fertilizer loan was expected to be 5,388 piculs of unhulled rice. In terms of U.S. dollars, each mow of land would use fertilizer estimated at \$0.50 whereas increased production would be \$2.00. The fertilizer loan project was also faced with several problems. The transportation cost of the fertilizer from Amoy to Lungyen was so high that it occupied 23% of the price of the fertilizer itself. There was also need for technical advice, since the farmers were generally ignorant of how to use the fertilizer. The total fertilizer loan of \$10,000 was insufficient to meet the demands of a population of 127,337.

But Fukien fell on evil days. A serious development arose in the Lungyen region in June, 1949 which was the prelude to the ending of its land reform. The JCRR had, heedless of Communist warnings that "Whoever tries to carry out land reform outside of our ranks shall be killed!", undertaken

the project with determination and courage. But in the spring, the new Director of the 7th Prefecture and the Lungyen magistrate took over several columns of the local militia and left the hsien for Shanghang in the west ostensibly to suppress bandits. Upon arrival, they declared secession from the National Government and established an "Action Committee of the Voluntary Army of Western Fukien under the command of the People's Liberation Army". The rebels took over three hsien without fighting. The Lungyen administration was taken over by an influential member of the local People's Assembly, but the Lungyen Committee on Rural Reconstruction which had been set up for the JCRR projects continued to work as usual. Since funds were not regularly disbursed, the Committee resolved that before any further appropriation was received from JCRR, a policy of centralization be adopted. All available resources were accordingly mobilized for one single project and an effort was made to complete this single project under any circumstances. Engineering work on three irrigation projects was stopped, concentrating the resources on the one at Hsiao-yang. The Committee selected overseas natives and faithful farmers in the city to become members of the Board of Trustees to take care of the remaining fund; to keep the Committee away from political involvements and to encourage farmers to strive for completion of the Hsiao-yang irrigation project. The farm credit project was confined to the fertilizer loan. The first distribution of 20 tons of fertilizer had been completed before the uprising. After the uprising, duplicate copies of the record of the fertilizer loan were turned over to three members of the Committee having farmer status. The loan could still be redeemed and the repayment could be used as a revolving fund.

The uprising was in no way a reflection upon the JCRR reform projects undertaken in this region. The general military and political situation had deteriorated to the point when fence sitters thought it the most opportune moment to change sides. It did not impede the growing conviction that the greatest results of JCRR were going to be achieved in land reform and irrigation projects more than in mass education, agricultural extension and rural health projects. Land reform was recognized as the effective measure of preventing revolt among peasants as well as of improving the fundamental social structure of rural China. Contemplating on the prospects, in view of the increasingly unfavorable overall situation, the Commissioners were of the opinion that the purpose of JCRR, being to give direct benefits to the farmers, should be pursued in the following order of importance: land reform, agricultural extension, farmers' associations and social education. All agricultural and educational work and even light rural industries, it was thought, might be incorporated into the land reform program. It was felt, for example, that the JCRR could help implement the economic reconstruction program in Southwest China planned by the Supreme Commander there, General Chang Chun, in which land reform was the first item. Through such assistance, the JCRR would be helping to win the people and build a solid democratic front in that area where prospects of effective defense against the Communists were good and in which an almost self-sufficient base of Nationalist operations could be established. The subsequent development of the land reform program in Szechuan which reached an impressive degree of success fell under the Phase-B program of the Joint Commission.

#### B. The Land Program in Taiwan

Besides Fukien there were four other provinces which received JCRR assistance in their land reform programs. In chronological order they were: Taiwan, starting in March 1949; Szechuan in June 1949; Kwangsi, July and Kweichow, September 1949. Inspired by the results of land reform in Fukien, the Commission turned its attention to the land problem in Taiwan province. The Commission had recognized that the new governor of Taiwan, General Chen Cheng, who had assumed office in February 1949, was an able and determined man who was showing sincere willingness to cooperate with the JCRR and to bear



responsibility in carrying out a wide economic reform program including land rent reduction as a first step to land reform for the entire island province. Among other preliminary measures, the Commission sent its land expert to study the land problem in Taiwan, the farmer's associations there and other rural problems. This decision was already made by Chairman Chiang and Governor Chen in March 1949 during the former's visit to the island, for at that time, the Commission had decided to include Taiwan into the working area of the Commission.

This province has a total farm population of 3,522,860, consisting of 58.6% of the island's total population. Of this number, 33% are owners of farms, 28% part owners and 39% tenants. The larger portion of cultivated land, 56.33%, was tilled by farm tenants while 43.6% was tilled by farm owners. Small farming has been dominant in Taiwan with the majority of the farmers cultivating lands less than 1 hectare. The problem of farm tenancy has been acute in recent years with increasing cases of land disputes and growing power of feudal landlords in the rural areas. Farm rent on private farms in Taiwan generally was 50% of the main crop yield. This high rent and the small farming system combined to put Taiwan farmers in a state of extreme poverty.

In 1947 the Taiwan Provincial Government had begun to lease public lands to farmers for operation. The rent fixed was not to exceed one-fourth of the main crop yield. Beginning in 1949 the Provincial Government further decided to reduce farm rent on private lands to 37.5% of the main crop yield. This program, as the first step toward reform, was to be executed throughout the island province. Its successful execution depended largely on accurate investigation, effective propaganda and strict supervision. To assist the Provincial Government in this work, the JCRR allocated \$30,000 to be used as subsidies for printing and propaganda, training of personnel, travel expenses of field workers and a part of their salaries.

The above funds were further increased to US\$40,000 due to the extension of supervision and publicity work. At the same time, the Commission recognized the necessity of strengthening the publicity work which had been done and made another allocation of more than US\$7,000 as fund for an enlarged publicity program.

This program consisted of four parts. The first was farm rent reduction to 37.5% of main crop. Should the rent be lower in individual cases, the same was upheld. The second part was to release extra burdens from the tenant farmers. "Key money" of a rented farm was limited to one-fourth of legal rent of 37.5% of annual yield of chief crop. If any contractual "key money" exceeded this limit, the amount in excess was refunded to the tenant, but if lower, was upheld. And if none was paid when the farm was rented, the landlord could not demand it. Collection of rent in advance was strictly prohibited. The custom of key money, practiced under Japanese rule also, was generally restricted to Hsinchu and Taipei hsien where the population is large and the soil fertile, thus creating a greater demand for land. The program did not seek to eliminate key money entirely because of technical difficulties and because there was reason to fear that landlords would oppose such a move so strongly that the entire land reform program might be seriously hampered by them. The success of the general program, it was thought, was more important at the time.

The third part of the program ensured security of tenure to the tenant farmers by providing for a definite period of tenure ranging from the minimum of three to the maximum of six years, to be set at the discretion of each district of municipality. Finally, the program provided for registration and re-conclusion of farm lease contracts. All contracts, oral or written, must be registered and new written contracts in exchange for old ones concluded between landlord and tenant according to a prescribed form.

The machinery, like the program, was similar to the one later set up in Szechuan, though this was somewhat on a smaller scale. In the provincial capital 125 district and municipal supervisors and directors were trained, and in each district and municipality 788 field workers were trained. District or Municipal Rent Reduction Committees were formed to supervise the work of rent reduction, to ascertain standard annual yield of chief crops on farms of different grades, fix periods of tenure and mediate over disputes between landlords and tenants.

The results of the program in Taiwan were in the nature of those in Szechuan. About 350,000 tenant families in Taiwan (67 percent of the total) were benefited by the aid. It will be noted that the chief difference between the two programs was in the difference of the rate in rent reduction, 25% reduction of original contractual rent rates in Szechuan and a flat 37.5% of main crop yield actually harvested in Taiwan. This is explained by the fact that the old general rent rate in the latter was 50% whereas in the richer and more populous province of Szechuan, the rates ranged from 60 to 90% of the main crop. Further, a flat rate of 37.5% while technically practicable in Taiwan where land classification was both accurate and fair, was impossible in Szechuan where the land cadastre lacked an accurate and scientific basis.

In September 1949 two inspections were made by the Commission, one by the chief of the Taiwan Land Bureau and Mr. Tang Hui-sun, Chief of the JCRR Land Division, and another by Mr. Wolf Ladejinsky, Land Consultant from the U. S. Department of Agriculture. The two inspections revealed that the program had achieved wide success and had been enthusiastically supported by the farmers. No black market in rent and tenure dealings had been discovered. Tenant farmers gave the impression that they would and could protect their benefits derived from the reform and that they had no fear of the landlords. Further, they understood generally the procedures of application for tenancy registration, the making of contracts, rent payment and other relative regulations.

The inspection also revealed, however, that there were certain problems which were still in the process of solution. For example, some landlords already had collected excess rent in advance of making the new contracts. Since contracts were made, some of these landlords promised to refund the rent. But others requested to postpone the settlement until rent payment time at the second harvest. Still others even denied the fact of ever collecting the rent and there was no proof that they had since the old custom did not require the issuance of receipts.

Some tenants met with natural calamity before harvesting time but did not report the case for survey and for deduction during rent reduction. If these farmers did not pay rent at 37.5% their loss would be great. In other cases, the acreage recorded in the tenancy contracts did not check with actual acreage cultivated. This might have been caused by change of tenants or errors in writing. After discovery of such cases, the local hsien or city government was notified to attend or make appropriate settlements.

One of the most troublesome problems was that though tenant farmers were obligated to supply labor for improvement of water conservancy, they were now also asked to share in the payment of water fee after the improvement had been completed. This was one device by which landlords sought to reduce their loss from the rent reduction. Some tenants were also worried about the later development of the program. They wondered if the rent payment for the second crop could still be made at 37.5% and whether the landlord would dispossess them of the land. It was expected, however, that after the spreading of public information through the villages, such worry on the part of the tenants will be eliminated. Intensified publicity activities such as composition contests among students from the primary school level up to college, a play, a comedy in three acts called "Prosperity Cometh," and so forth were later undertaken to propagate the benefits of the reform.



The inspection also found that the total number of tenant farmer families who had made tenancy contracts was 299,070 and the general acreage of leased land tillage was 257,398 hectares. Crops obtained by tenant farmers per chia (about 1 hectare) during the first harvest exceeded that reaped in same period in 1948 by 565 kilos, (1,740 over 1,175 kilos). But it recommended that more effective inspection work was needed to check the results of the first payment of rent and to carry out the reduction work of the second payment in November since there were still cases of illegal dealings in rent payment.

An additional budget of \$19,834 was asked of the Commission in September to provide for increased inspection work and to help further with travelling expenses and per diem allowance for program workers which had risen to a higher scale owing to the currency reform in Taiwan during the preceding three months. Further, a still greater publicity campaign was necessary to remove the ignorance on the part of many tenants of the contents of rent reduction measures and on the part of landowners of the significance of the program, ignorance that was harmful to upholding the results of the program.

A second general inspection also made in September disclosed further problems in the program. The existing land classification on which rent and tax rates were based had been made in 1944 under the Japanese who made readjustments in land classification every ten years. After rent reduction both tenants and landowners felt that the existing land classification did not correspond to the present status of land use which had undergone changes during recent years. The landowners hoped to reclassify the land in order to collect more rent from tenants where production had increased owing to improvements in land use. The tenants, on the other hand, wanted to reduce their rent where production had declined owing to deterioration of land use. In both cases, it was felt that the existing land classification was not fair and that reclassification of those lands was necessary. The Commission therefore approved in December 1949 a budget subsidy of \$10,000 to a land reclassification project of the Provincial Government which was to inaugurate a program of investigation and reclassification in those areas having disputes in classification.

The water fee problem was still persistent. According to the old regulations laid down by the Japanese, landowners paid a special water fee which was used for farm improvement and tenants paid an ordinary water fee to cover irrigation costs to the local water conservancy associations which were composed exclusively of landowners. However, no clear demarcation and definite percentage for these two fees were made. Landowners therefore frequently shifted the burden of special water fee to the tenants. Disputes arose during and after rent reduction over the fair share each party should contribute. The problem was finally settled by the joint efforts of the Provincial Land Bureau and the Water Conservancy Bureau by laying down more definite rules to divide the obligations in the payment of the water fees.

The great tenants benefited from the program, for their profits became larger and they could gradually become landowners. The small tenants still had little despite their new gains and the small landlords were expected to take back their land, thus giving rise to further disputes. Long term farm hands were also still receiving poor treatment, and social justice demanded that they too should have lands to cultivate.

The chief complaints of the landlords were that their burden had become greater since their taxes were not correspondingly reduced. The Food Bureau had compelled them to surrender an assigned amount of rice to be sold at officially fixed rates, making them suffer. They alleged that cooperation between tenant and landlord would not be so close as before the reform and that low rent would make farmers and tenants idle and improvident and tend to increase the population which would handicap economic improvement. The local influence and power of the landlords was still evident, rendering inadequate the personnel to promote the reform and to check on secret agreements.

While these problems and complaints remained to be fully solved, the benefits of the land tenure reform in Taiwan have become commonplace. In the main, these can be placed into three categories: the improvement of the farmers' livelihood, the increase in agricultural production and the elevation of the tenant farmer's position. The living conditions of the tenant farmers have generally improved with land rent reduction. While formerly they often did not have enough to eat and had to borrow food from their landlords, they now no longer encounter food shortage and many of them are even able to sell their food surplus to procure other necessities. Many farmers were found wearing new clothes and making house repairs during JCRR field inspection trips in the country. In the vicinity of Fengshan Chen in southern Taiwan, a tenant farmer named Pan formerly paid 4,000 catties of paddy rice for the one hectare of land that he tills. His rent has now been reduced to 1,500 catties and with the 2,500 catties of paddy rice thus saved he has built a hut which he can call his own.

Because farmers' incomes have increased since the introduction of land rent reduction, agricultural production in Taiwan has also increased. Farmer Lin in Tapieh Hsion used to share his ownership of a buffalo with another tenant. Following rent reduction they jointly bought another buffalo and now enjoy individual ownership of one buffalo each. They have also purchased other necessary farming equipment and fertilizer, and their productive capacity is steadily on the increase. An inspection trip by JCRR land specialists met with many similar cases.

In the relationship between landowner and tenant farmer, the landowner had always occupied the superior and dominant position while the tenant was, to say the least, under the influence of this landlord. But with the land reform program, new tenure contracts stipulate that tenants and owners shall stand on equal basis and that tenure must be not less than three years, guaranteeing to the tenants a permanency which cannot be challenged without adequate and lawful reasons. These stipulations protect the tenant farmers from being exploited by the landlords, and therefore the position of tenant farmers in Taiwan has been elevated by the introduction of land rent reduction.

This "37.5 Land Program" has been considered as one of the most successful political events in Taiwan since its restoration to Chinese sovereignty in 1945. In putting through the program Governor Chen Cheng won widespread enthusiastic support from the people of Taiwan and gained increased prestige as an enlightened and energetic statesman. For the success of the land rent reduction is to be attributed, first, to the Provincial Government's determination to thoroughly implement the program and, second, to the serious efforts made by all local government workers to supervise and carry out the details of the program.

Taiwan has an area of public land of 180,000 hectares which occupies one-fourth of the total cultivated land. These public lands were originally owned by the Japanese Government, Japanese public and private enterprises and Japanese citizens. After restoration of the Province, they were confiscated by the Chinese Government and became public land. Of this 180,000 hectares about 120,000 hectares are now used by the Taiwan Sugar Refining Corporation and the rest by various government organs such as the Provincial Department of Agriculture and Forestry, Bureau of Social Affairs and the Land Bank. Also a part was rented out by Hsien and City Governments to farmers for tenant operation. The renting of public lands was generally made according to ordinary practice and therefore has many evils. To improve the land use of those lands, the Government should sell such lands to farmers for self-cultivation in order that farm tenants and farm laborers who work on the land could become owner-operators.



The sale of public lands to tenants was a practical and easy way to help these farmers own lands. At the beginning of 1949 the Taiwan government adopted a resolution to sell 10,000 chia (area unit equivalent to .9699 hectare) of public lands to tenants. By May 4,000 chia of such lands were sold. The tenants could apply to the government for purchase of such lands the price of which was fixed at 250% of main crop yield of the land to be paid to the government within the period of from five to eight years in installments according to the grade of land and fertility of the soil. Renting of public land by hsien and municipal governments in Taiwan was done in one of two ways. One was to rent fragmentary lots of land for individual operation and the other was to rent large tracts for establishing cooperative farms. The public land at first sold was of the former type. If the Taiwan government should sell the latter type to tenants, the JCRR Land Division recommended that on such large tracts of land where tenants have been converted into owner operators, the Commission might take steps to improve the land use and grant farm credit to increase farm production and improve the farmers' living.

Up to the conclusion of the Phase-B Program, however, the Commission took no action with regard to the public lands project though the Land Division has prepared plans whereby under the Phase-C Program, JCRR could assist the implementation of the project through improvement of land use and granting of farm credit.

The third land problem in Taiwan has been reclamation. Since the farm acreage per farm family in this province has been only 1.57 hectare, there has resulted an oversupply of farm labor. To utilize this surplus labor, reclamation of uncultivated lands was an important step toward solving these land problems. The Joint Commission's Land Division recommended assistance to three regions: the Fongtien-Chikow Area in Hualien Hsien, the Taitung area between Kwanshan Station and Chushang Station along the Hualien-Taitung Railroad and the Lenpei Area in Tainan.

The first area, situated between Fongtien and Chikow stations along the Hualien-Taitung Railroad, includes about 10,000 mow of land. Reclamation work there had begun under the Japanese with major irrigation and drainage work completed. About 300 farm families could be settled there. The local Hualien government planned to raise the sum of \$40,000 to cultivate the area with half of the amount to be provided by the Taiwan provincial government and the other half requested of the JCRR.

The Taitung Reclamation Farm covers 5,400 mow where most of the irrigation and drainage work had also been completed by the Japanese. The Taiwan Provincial Government set up a reclamation farm to develop the area which can be settled by 500 farm families. The subsidy to reclamation projects was approved by the Commission with a budget of \$50,000 for the Taitung project and \$20,000 for the Hualien project. Both projects are to be operated on an experimental basis during the initial stage.

The third proposed project was a huge one which called for a budget of \$3,000,000. Located along the sea coast and covering an area of 4,127 hectares, less than one-fourth of the irrigation and drainage work had been completed by the Japanese when Taiwan was restored to china. Because of the vastness of this project, it was at first thought that if any JCRR help should be given, it should be based on a development project divided into periods and sections instead of the whole area at once. The Commission, however, decided not to act on this project.

### C. Land Tenure Reform in Szechuan

The greatest of the JCRR-supported land reform programs from the standpoint of area and people benefited was that in Szechuan province. Early in June 1949 the Commission decided to undertake one or two programs on land reform in Free China as the basis for other rural reconstruction work. It was decided that preceding any rural reconstruction programs to be undertaken by the Commission in any province, there must first be undertaken a land reform program which is needed by that province.

At the suggestion of the Commissioners, the Supreme Commander of the Southwest, General Chang Chun, initiated a Farm Rent Reduction Program in Szechuan and called a land conference to start the program. The Provincial Assembly of Szechuan also passed a resolution endorsing the program. The people in Szechuan had already been talking about the JCRR, not so much about the money it had given but about its beneficial work in agriculture, irrigation and rural health so it was possible that any JCRR-supported program might be well received. The Commission saw that this attitude could be put to good advantage and thus help carry out an effective program there.

In the two years 1947 and 1948 the National Government had planned a program for 25% rent reduction for all non-occupied provinces during the war with Japan as a parallel measure with land tax exemption. The plan failed to materialize since the local governments, which had been authorized to execute the program, failed to carry out the measure. Led by General Chang, the local people of Szechuan were this time determined to put through a land rent reduction program and three general proposals were put up for consideration: (1) to reduce land rent to one-third of the main crop, or (2) to reduce land rent to 37.5% of the main crop regardless of original rent which was 60% to 80% of the main crop or (3) to reduce the original rent by 25%. The farmers believed that land rent reduction should be accompanied by security of land tenure though most of the tenant farmers appeared satisfied even if rent should be reduced only slightly.

The Commission urged that the program should be started immediately in order to be in full operation within two months before the 1949 harvest season was over. However, difficulties arose as to which principle should be adopted to determine the rent reduction rate. The problem was both technical and legal. The proposed one-third rate of rent reduction on the main crop was a special law for the War Rehabilitated Areas, but in cases where the original rent was from 60% to 80% of the main crop, adoption of the one-third rate reduction would lower rent so much that it would almost certainly not be acceptable to the landlords. The adoption of 37.5% rent reduction as legal rent involves certain legal problems. Under this method the term "main crop" denoted the main farm product in one year which is usually one crop only. The reduction of rent is advantageous to the tenant farmers only under this condition. However, according to the interpretation of the Judicial Yuan the term "main crop" was interpreted to include the main farm products of all crops in one year not a single crop. If to reduce rent on this basis, the rent after reduction would be higher than the ordinary rent which would give no benefit to the farmer tenants. Moreover, the adoption of the 37.5% rate involved more technical difficulties in Szechuan than in Taiwan. The main difference between 37.5% rate and the 25% rate lay in the fact that the former rate was based on the main crops, i.e., all rent should be reduced to 37.5% of the main crop while the 25% rate was based on the originally agreed or contracted amount of rent. In Taiwan, the cadastral work on land classification and total standard volume of products from each grade of land was fairly accurate. Therefore, the adoption of the 37.5% rate could be easily carried out there.



But in Szechuan, cadastral work was so poor that the adoption of 37.5% rate would make impossible its technical operation. This highly important question of the principle of reduction rate was finally decided after thorough deliberation by JCRR specialists, and, on the advice of Mr. Lu Tso-fu, Szechuan's foremost business and industrial leader who explained the the proposal of both the one-third and 37.5% rates did not seem practicable for Szechuan, the 25% rate was adopted to avoid both technical and legal difficulties.

The land rent reduction program was to be carried out extensively in the whole province of Szechuan, except the 16th Prefecture which was largely a grazing area. But special effort was to be made starting in the following five areas: the 1st Prefecture in the west, the 12th Prefecture in the north, the 7th Prefecture at the center of the province, the 3rd Prefecture in the east, and the 15th Prefecture in the northwest. These five regions covered an area of 431,300 square kilometers with a population of 52 million.

The JCRR approved the rent reduction project on July 25, 1949 which contained the following principles: Beginning with 1949 the land rent reduction was to be uniformly 25% for Szechuan, Yunnan, Kweichow and Sikong. Szechuan was to be divided into designated areas (the 5 Prefectures) where registration and revision of farm lease contracts were to be fully carried out and non-designated areas (10 Prefectures) where registration of lease contracts was left to the discretion of the Provincial Government while rent reduction was to be conducted.

To start actively implementing the program, an appropriation of US\$201,893 was made by the Commission as a fund to execute the program. The Commission further decided that Silver \$80,000 was to be flown to Chengtu from Hongkong to meet the initial expense of the rent reduction work. Observers were to be sent to each prefecture to report directly to JCRR on the status of the program. These observers, or supervisors, appointed by JCRR, were to be employed as consultants to secure higher class personnel and to be able to make the pay more attractive.

It was reported that the Governor Wang Ling-chi of Szechuan, who was exceedingly energetic in pushing through the program, was having some difficulty in appointing an able responsible department chief to direct the program. The Commission thereupon proposed to Governor Wang that the Governor himself should be the chairman of a five man committee which would include the responsible bureau chiefs. It also proposed that an able executive director should be appointed to direct implementation of the work and that payments for all expenses except those on the provincial level should be made direct to the prefecture Directors on the basis of reports received from JCRR observers.

These proposals were accepted by the Governor who appointed as executive director of the Committee on Land Reform, the Director of the Cooperative Management Bureau, a capable man without political affiliations. The working schedule for the Szechuan land tenure program fixed the rent reduction to the period from September 1 to October 31, 1949 and the registration and changing of contracts from September 1 to December 31, 1949. JCRR was to pay the program \$201,893 in five installments.

The General Regulations on the Enforcement of Farm Rent Reduction issued by the Supreme Commander of the Southwest provinces on July 31, 1949 provided the legal basis for the program. According to that proclamation, any landowner who failed to reduce the rent in conformity with the Regulations was to be heavily fined besides being compelled to refund to the tenant the rent excessively collected. Serious warning was given to those who would obstruct the enforcement of rent reduction by the application of the Criminal Law to offenses of obstructing the performance of official duties and of disturbance to public order. And those who disturb public safety by collective violent actions were to be severely punished according to Martial Law.

The Regulations were followed by a proclamation of the Governor of Szechuan in September, reiterating the provisions and warnings contained in the former. It stated that landowners were to have their income from land guaranteed against acts of sub-lease and rent delinquency. "Those who sabotage the execution of the program will receive severe punishment according to the Criminal Law and those who dare resist the program by organized force shall be punished according to Martial Law with no pardon whatsoever." (Article 18).

Detailed measures of farm rent reduction were promulgated by the Szechuan Provincial Government containing the specific provisions to prevent possible injustice or evasions. Thus, in case of harvest loss due to natural catastrophes, a further reduction was to be made according to the extent of actual harvest as agreed by the tenants and landowners after a one-fourth reduction had been made from the original amount of rent as legally provided. In case the harvest loss is so heavy that it reaches 20% of its normal harvest and in consequence landowners are permitted to be exempt from land tax, the tenant shall be exempt from paying rent of the current year. An Article 7, allowance was made for key money as a sop to landowners but with modifying qualifications. In cases where deposit or key money is provided for in the lease, no further increase was to be made by the leaser, and in case where an annual deduction of the interest of the key money as a part of the rent of the current year was provided in the lease contract or allowed by local practice, the lease was to have the right to make such deductions annually from the rent.

Protection was given to the lease under Article II by guaranteeing no illegal eviction if the lease were up this year and the lease wished to continue the lease. Greater restraints were imposed on the lessor who, under Article 12, was to observe certain provisions when he withdraws, after the expiration of the lease, his land from the lessee. The lessor must cultivate the land himself only and the area of the land he withdraws for self-cultivation shall, in accordance with the Land Law, not exceed such amount of profit as can support the living cost of a ten-member farm family.

All magistrates, mayors and bureau chiefs were directed by law (Article 23) to personally conduct circuit supervision over the rent reduction work throughout all towns and villages and provincial inspectors were to make similar personal inspections. The provincial government was emphatic that "The work of rent reduction and lease contract registration shall be considered as the top program of the Provincial Government for the year 1949". (Article 30).

Similarly, regulations were issued governing the registration and revision of farm lease contracts for Szechuan. They provided that all lessors of farmlands in hsien or municipality where registration and revision of farm lease contracts were to be conducted should present, jointly with the lessees, their farm lease contracts, either verbal or written, with or without fixed tenure, and other relevant documents or evidences, to the local town or village government where the leased farms are situated and apply for registration. Upon application for registration, the town or village government was to examine the items stipulated in the contract and fix the amount of rent after reduction. The town or village government was to exchange the original lease contracts with the new ones and mark on the former, "Registered and Cancelled". A copy of the new contract was to be kept with the Government. Should there be subsequent changes of the conditions of leasing or renewing or terminating of the lease by agreement of both parties after the lease registration and revision, both lessor and lessee should jointly present their lease contracts to the local town or village government for registration and apply for exchange of new contracts.



Article Six in these regulations protected the leasee in his registration of the lease contract. The leasee may alone petition the local government to set a deadline for the lessor to register the contract provided that the latter failed to apply for the registration in accordance with the provisions of the regulations. In such cases, the leasee would be permitted to present the lease contracts, with the witness of pao or chia officers, to the town or village government and apply for the registration unilaterally. No fees, incidentally, need to be paid, thus making it all the easier for the tenant farmer.

The 15 supervisors from each of the 15 prefecture and the 138 hsien supervisors appointed and trained by the Szechuan Provincial Government were despatched to their posts early in September, but owing to transportation difficulties, some arrived later. By the end of September, however, the program was in full swing. When the hsien supervisors arrived at their stations, the magistrates had already carried out their part of the functions, Hsiang or village supervisors and registrars of farm lease contracts were appointed and trained. Hsien Farm Tenancy Committees of 7 members each were organized. Each hsien convened a general conference on implementation of farm rent reduction. Publicity meetings were held, and official notices, posters, circulars were distributed to different hsiang. Immediately after the general conference, hsiang chiefs went with the registrars to their respective villages to post up official notices and slogans and other publicity material and called together publicity meetings and special meetings of representatives from every pao (sub-division of hsiang or village, comprising 10 to 15 chia) and organized the Hsiang Farm Tenancy Committee of 11 to settle tenancy disputes. Every pao chief, with assistance from chia chiefs, directed and reported on the work of rent reduction and made circuit inspections from household to household.

As the program was to be carried on in over 15 prefectures which covered 138 hsien, 4,283 hsiang and 53,857 pao, it was estimated that 114,000 persons from the provincial level down to the pao were mobilized for the execution of the program, though only 2,249 persons of this total were subsidized by JCRR funds, including 17 staff members of the Provincial Farm Rent Reduction Committee, 15 prefecture supervisors, 138 hsien and 401 hsiang supervisors and 1,678 registrars in the 49 hsien of the designated five prefectures. The total number of tenants that were to be benefited by this program was about 17,500,000. Preliminary reports in September from 120 hsien supervisors said that the program was being smoothly carried on, that reaction was favorable, that no opposition was encountered and that the tenant farmers were overjoyed. The program was assisted enthusiastically by "Pacification Working Teams" under the military commander of the province, and local leaders were taking a lead in reducing the rent on their own farms in accordance with the regulations.

There were, not unexpectedly, many difficulties encountered. One of these was that as autumn crops were generally reaped in August, in some hsien farm rent had in many cases already been collected by the landlords according to the amount originally agreed upon before the rent reduction program was put into effect in those hsien. But the Provincial Regulations had stipulated that the lessor who fails to reduce the rent in conformity with the Regulations shall, in addition to the compulsory refund to the leasee of the rent excessively collected, be punished with a fine equivalent to the amount of rent thus collected. The Provincial Committee gave instructions to carry out this provision regardless of any possible contingency.

Another question arose owing to the diminished rent income to the landlords. Many small landowners who depended mainly on farm rent for their living suffered by the reduction and so were complaining and threatening

to terminate the lease on their farms on the pretext of resuming cultivation of the farms by themselves. But the Chinese National Land Law had laid down the following conditions for resumption of owner-cultivation which defeated their attempts: (1) where the leasee has died and left no heir; (2) where the leasee has waived his right of cultivation; (3) where the leasee sublets the farm land to other persons; (4) where the rent was in arrears, reaching to a total of two years' rent; (5) where the lessor has resumed cultivation of farm land himself, but in such case the leasee must have been notified to that effect one year previously. Another factor obstructing the landlords' attempts was that prevailing custom in many localities made tenants pay a heavy deposit, either in cash or in kind, to the landlord when the farm land was leased and the landlord had to refund such deposit to the tenant on the termination of the lease. Thus legally and fiscally, it was actually impossible for any landlord to turn out his tenants at will. The Provincial Committee was directed to instruct the hsien governments to forbid illegal termination of the lease of land by any landlord and to fix a tenancy period of at least three years in the revised lease contracts.

Worst reaction to the program was in Yong Hsien, Tung-liang Hsien and Hongya Hsien, where the local gentry and members of the Hsien Assembly made formal requests to the Provincial Government to suspend the enforcement of farm rent reduction in their hsien. Instead, however, the Provincial Government instructed the magistrates of those hsien to push on the program regardless of difficulties and to punish according to law those who dared to obstruct the progress of the program. But neither was reaction from the Provincial Assembly encouraging. A Recommendation Bill proposing some supplementary provisions to the Provincial Regulations was presented to the Provincial Government which was discussed by a provincial committee in the presence of JCRR specialists. It was decided that four of the five provisions proposed be rejected as they contravened with the Provincial Regulations or the Land Law, but that one provision be adopted which compelled the pledgee to pay the land tax and local rates on any farm land so pledged. In Pi Hsien near Chungtu, 70% of the landowners were absentee landlords who enjoyed special influence in the provincial government and all refused to revise their land leases. The Governor wrote them personal letters, a courteous procedure which proved effective.

To appreciate more fully the efforts and results of the land tenure reform program in Szechuan, some reference should be made to the actual conditions which existed when the program was started in that province. In the First Prefecture, the average holding of a tenant was 15 to 20 mow of land, the minimum rent was 80% and sometimes over 90% of the crops. In many instances, rent was almost the same as yield. Only in Kwan Hsien where the hilly soils were poor and the main crop India corn were rents between 40% to 50%. Thus the richer the soil the greater the pressure on and competition for the land; the higher the rent, the poorer the tenant. Further, the key money a tenant must pay the landlord for the privilege of cultivating his land varied from 7 to 28 silver dollars for each mow of rented land. The tenant received an interest from the deposit to be deducted annually from the rent.

The custom of deposit money has barred many agricultural laborers from becoming tenants. Great hardship was imposed upon those who succeeded in making the payment because in most cases the new tenant must borrow the money at exorbitant interest rates. One tenant with an above average acreage of 44 mow said that he has one buffalo. The plowing work each spring needs 44 man labor and the work of planting and harvesting still need extra laborers. He harvested 85 piculs of unhulled rice each year and had only 6 piculs left after rent payment. To support his 10-member family, he has to borrow somewhat 20 piculs of rice. Aside from that, he has to depend upon some non-agricultural work to make his expenditures and income meet even if he can have the spring crops such as wheat, vegetables, tobacco, green manure, hogs and farm poultry as his subsidiary income.



The success of the rent reduction program in Szechuan has been termed a "minor miracle" by the well-known authority, Wolf Ladejinsky. In less than six months of actual operation ending with the occupation of the province by Communist troops in December, 1949 the program had accomplished far reaching results hitherto never contemplated. Seldom has so much been done in so short a time with so little money. A dime per family was what the program cost the JCRR. And yet the result was a peaceful revolution. Not only was the rice bowl of the tenant farmer fuller in his life but it also gave him the opportunity and the right to participate in affairs that deeply affected his life. This in turn provides the true foundation for eventual democratic government. In the words of one field observer: "Overnight, the spirit and morale of the vast peasantry spurted from the groveling depths in which they had been long submerged." The pity of it was that this program had not begun two or three years earlier, for given this margin, the popular support which would bound to have come could have erected the necessary effective barriers against the surging Communist tide.

#### D. The Land Reform Program in Kwangsi

The land reform program in Kwangsi, initiated in August 1949, was composed of farm rent reduction and land holdings limitation. The rent reduction program was based on existing provincial laws and followed the principles of the Taiwan program. All farm rents paid by farm tenants to landlords in the province were not to exceed the legal amount of 37.5% of the main crop yield as provided in the 1947 Provincial Regulations Governing the Renting of Farmlands in Kwangsi Province. Local customs concerning terms of first crop or second crop should continue to be observed. No withdrawal of land for self-cultivation for any reason was allowed within three years after revision of the farm lease contracts.

In the case of land holdings limitation, all lands in excess of the amount allowed in the 1947 Provincial Regulations Governing the Limitation of Land Holdings were to be registered and sold to actual tillers or original tenants (who would enjoy priority) with seven times the rent as land price to be paid by installments over a period of 14 years. The Regulations stipulated that each farm family could not hold more than 50 mow of first-grade paddy land, 75 mow of medium-grade paddy land and 100 mow of third-grade paddy land. For dry land which was also classified into three grades, the acreage allowed was doubled.

As working area 30 hsien, inhabited by 6,750,257 people or 50% of the population of Kwangsi, were selected. There, communications were convenient, tenancy problems serious and land holdings unfairly distributed. The hsien were grouped into five districts to facilitate supervision work: Kweilin, Liuchow, Hohsien, Nanning and Wuchow. Twenty provincial workers stationed in these five districts were recruited and carefully screened, Governor H. C. Hwang personally interviewed them and asked such down to earth questions as: "How many li can you walk in one day?"; "Can you walk in the rain?" The Governor gave orders to carry out thoroughly the program regardless of any conceivable opposition that may be met in its execution. It was of interest to note that General Pai Chung-hsi, then Supreme Commander for Central China and one of the famous sons of Kwangsi, sold his 66-acre farm to his tenant farmers in Hsing-an hsien in the Kweilin District.

A great undertaking like the land reform program must be done thoroughly. It takes time to disseminate the details of the program to the landlords and tenants; it takes time to recruit qualified workers to execute the program; it takes time to put the program in full swing and to settle countless disputes between landlords and tenants. But in the three months from September to November, 1949, the Bureau of Civil Affairs of the Kwangsi Provincial Government, which was the sponsoring agency for this program, accomplished almost incredible success which quickly reached the eager ears of people in other areas within the province.

Close by the Nanning region, there are 25 hsien which were not included in the project due to the problem of transportation and social order. However, representatives of these 25 hsien subsequently petitioned the Provincial Government and JCRR Kwangsi regional Office to start a similar reform program in their area immediately. The petition was granted and a detailed plan was made and approved by the Commission but was later dropped on the eve of the closure of Commission's Kwangsi Regional Office due to the approaching of Communists. Tenant farmers in the land-reformed hsien of Li-pu and Siu-yen raised money among themselves to erect a monument eulogizing the action taken by their Provincial Government for the welfare of the people and to present the Joint Commission with a huge umbrella on which every donor was to sign his name in expression of his gratitude to the Commission's help in the land reform program. For although the Kwangsi Provincial Government had promulgated a land reform program in 1947 it was never fully enforced until JCRR stepped into the picture and convinced both landlords and tenant farmers that the government this time was not making "paper" promises. The Joint Commission paid a total of \$36,550 to the project.

#### E. Land Reform in Kweichow and Kwangtung

The land rent reduction program in Kweichow was approved by the Commission in October 1949 after the JCRR Land Division had earlier sent its specialist to inspect the work that was being done by the Provincial Government on this subject. The rent reduction work in Kweichow had been carried on energetically and high government officials all were taking the lead in reducing the rent on their own lands. The program was in full swing in 80 hsien and municipalities to which the Provincial Government had sent large numbers of supervisors. The success of the program appeared assured with both landlords and tenants reducing their rents according to regulations. Tenants were especially familiar with the reduction formula.

The Commission appropriated \$40,000 of which \$18,750 were paid. But the incursion of the Communists at the beginning of November put a stop to the work and on the 23rd of the same month the JCRR received word from the Kweichow Provincial Government that it had remitted the same amount back to the JCRR. But the Chengtu Regional Office of the Commission had evacuated just before this report was received and no further information has been available concerning either the land rent reduction program in Kweichow or the reported refund made to JCRR by the Provincial Government.

Only a preliminary attempt at land tenure reform in Kwangtung was made by JCRR since the conditions necessary for a full scale program were lacking. But in an agreement signed with the Kwangtung Provincial Government regarding irrigation and water conservancy by the Commission in March 1949 in which JCRR was to provide the government assistance within \$2,000,000 in the form of loans for completing the projects in question, the stipulation was made that the rate of 25% rent reduction on the farms benefited in the project was to be enforced. But in view of the lateness of the season and the preparatory work yet to be done by the Provincial Government in regard to receipt and screening of the projects, it became doubtful whether the projects could be fully carried out. Unfortunately, difficulties within the province prevented full implementation of the agreement and the land reform attempt ended in Kwangtung.

#### F. Conclusion

The experience of the Joint Commission has led to the profound realization that any effective and lasting program of rural reconstruction must be preceded by, or simultaneously with, steps toward land reform. In China where the traditional land tenure system has been deleted unjust with its unfair distribution of land and the exploitation features of tenancy, farmers could hardly be expected to care for the land or be concerned with general agricultural improvements. It is only when farmers possess their lands or at least when they are assured of definite land tenure and are relieved of excessive rent that they can take with enthusiasm and optimism to new farm technology, rural health and education, and ideas of civil rights and democracy. The general improvement of rural living conditions can be achieved only if there has been permanent land reform.



Chapter II. Rent Reduction Program — The Beginning of the 3-phase Land Reform in Free China (March 1950 - June 1951)

The year 1950-1951 marked the transitional period of land reform work in Taiwan where substantial achievements had been made in the first phase reform, the rent reduction. Efforts were now made to consolidate the results and to develop the second phase program, the land purchase. Projects on land re-classification, rent supervision and land commission were undertaken or initiated toward the first objective. Projects on land holdings census and public land sale were proposed and put into operation for the second. Of these five major projects, the land re-classification is completed; the rent supervision and land holdings classification are in operation; the sales of public land and the formation of a land commission are pending action.

A. Rent Reduction

1. Land Re-classification Program

The 1949 rent reduction program reduced the farm rental from an average of 50% to 37.5% of the main crop. Farm tenants who constitute 64% of the total farm population and cultivate 54% of the total cultivated land were benefitted by such reduction. With it came up many problems. One was land classification. Taiwan's rent reduction program was based upon the existing land classification. On that basis, tenants pay rent to the landlords who in turn pay land tax. Before rent reduction, land tax was levied by Provincial Government according to the fixed grade of land holdings, but the rental might be changed by the landlord. The Japanese Colonial Government used to revise land classification every ten years according to changed conditions of land use. Since the last re-classification was made in 1944, the next one will be in 1954. But changes in soil conditions due to improvement of irrigation or soil deterioration through deforestation have been considerable during the past several years. According to the estimate made by the Taiwan Land Bureau, land which needs to be re-classified occupies roughly one-tenth of the total cultivated area.

Under the existing system, Taiwan's paddy fields and dry land were each classified into 26 grades. During rent reduction, the Land Bureau worked out a standard yield of the main crop on each grade of land. The 37.5% rent reduction rate was based upon this standard. After rent reduction, landlords objected to the reduction rate for its unfairness. As the proportion of rent reduced was based on the total volume of crop yield which in turn was based upon the grade of the land, the accuracy of land classification would naturally affect the amount of rent reduced. The landlords claimed that their rent income has been adversely affected by the inaccuracy in the old land classification and demanded to have their land re-classified. Their claims were only partially true; because, in certain areas, land use conditions did undergo changes, thus causing the existing grade to become higher than it should be; but, in other areas, higher grade had been deliberately reported by landlords during the Japanese rule in order to get government loans.

In the former case are: areas along the sea coast in Tainan Hsien where, as a result of the destruction of wind-break forest, soil was soaked by sea water and became alkaline; areas in Lotung Town, Yilan Hsien, where soil erosion have resulted from deforestation and damage of irrigation systems; areas in Fengshan Township, Kaohsiung Hsien, where farm production has declined due to the installation of defense works by the army; and areas in Hualien Hsien and Taitung Hsien along the eastern coast where low yield was caused by insufficient fertilizers.

In the latter case, are areas in Yunling Hsien where land grades in six villages were deliberately raised by landlords. There were some cases where single-crop land was mis-registered as double-crop land due to the unreliability of crop harvests. This can be illustrated by areas in Tseng-wen Township in Tainan Hsien where two farms on one tract of land differ in their grades and crop yields because of the difference in entrepreneur of private and public ownership of land. The problem involved in all these cases was that the grade was either too high or too low against the actual yield. When the grade was too high, the tenant complained that he was paying too much rent and consequently refused to pay. When the grade was too low, the landlord complained that too much rent was reduced. This situation created a serious problem on land re-classification and called for an immediate solution. It is against such a background that the land re-classification program gradually took shape.

In this connection, it is interesting to note that in presenting their grievances, the tenants were comparatively vague, while the landlords were quite specific. The latter demanded a general re-classification be made to wipe out all inaccurate classifications. Valid as the argument may be, re-classification would not guarantee a permanently perfect situation. Land use changes constantly and a re-classification today would be out of date sooner or later. Even if a ten-year re-classification plan is to be adopted as during the Japanese administration, disputes of one kind or another are bound to arise as long as farm tenancy exists.

In planning the re-classification project, many principles were discussed between the Provincial Government and JCRR. Three principles were finally evolved:

- a. A province-wide re-adjustment of the existing land classification: This principle calls for re-classification of the entire land in the Province, as demanded by landlords. The measure is an ideal one. But it can be carried out successfully only with sufficient financial resources and working personnel that are at present not available.
- b. Re-adjustment of the classification only in areas where conditions have changed or only at the request of tenant and/or landlord. This measure is easier and more practical in application.
- c. Re-adjustment of the existing land classification only at the request of the person concerned: This measure is more advantageous to landlords with better economic and social position, and may cause the Government to lose the initiative and the active role in executing the program.

Acting upon the JCRR recommendation, the Provincial Government passed on May 28, 1950 a land re-classification measure containing 29 articles based on the second principle mentioned above, i.e. to re-adjust only disputed areas and make re-adjustments in other areas whenever requested by tenant or landlord. To implement this program, the Provincial Government made an appropriation equivalent to US\$60,000 and JCRR approved an equivalent of US\$10,000 as subsidies. The program was put into operation in July and was completed in November.

The procedure adopted for the proposed re-classification consists of three steps: investigation, reviewing and re-classification. Investigation consists of collecting records on changes in land use, field inspection to locate boundaries and deciding the extent of changes. It was conducted by village, township and hsien government personnel and participated by both tenant and landlord. After the



investigation, reviewing work followed. The township governments announced the results of the investigated areas in each town and called reviewing meetings composed of both landlords and tenants to discuss the results and thrash out the differences. During the meeting, possible mistakes and hidden facts disclosed by either party were debated and corrected. The popular and free discussion adopted in the reviewing meetings were conducted remarkably well and often brought about agreement between the contending parties. After the reviewing process was over, the cases were put before a team composed of representatives from the Provincial Water Conservancy Bureau, Department of Agriculture and Forestry, Department of Finance, Department of Reconstruction and the Land Bureau, for reconsideration and re-classification. As soon as the re-grading work was finished, the records were sent to the Provincial Government for approval and announcement. And it was according to this new re-classified grade, that the tenant was to pay the rent; landlord, the tax.

The re-classification work was difficult and tedious. Nevertheless, the whole project was carried out through a democratic process and with full cooperation from both tenants and landlords. Outstanding cases were seen in places as Yilan Hsien, Keelung City and Taichung Hsien where faulty claims were set right by facts. Contrary to the claims of landlords, the land grades to be lowered were much more in excess than these to be raised. Upon the completion of the project in November, 1950, altogether 11,492 hectares of tenanted land and 51,269 hectares of other taxable land were re-graded (See Tables 1 and 2). The results were a decrease of crop harvest in the province by 5,864,525 catties and a lessening of rent burden of tenants in the province by 28,312,301 catties (See table 3). Since then, no serious complaints have been heard from landlords and the problem of land re-classification was temporarily brought to an end.

## 2. Rent Supervision Program

The solution of problems of land classification represents only one phase of the effort to consolidate the 1949 rent reduction program. To safeguard the program, the rent supervision program was initiated.

A casual appraisal of the 1949 rent reduction program in Taiwan would clearly indicate the actual benefit received by tenant farmers and the more peaceful and prosperous atmosphere in the rural community. However, one important consequence which extended far beyond the material benefit to the tenant is often overlooked and that is the drastic drop in market value of tenanted land as distinct from owner-cultivated land. This development was gradual, but became evident one year after the rent reduction. The investigation by the Chinese Cabinet Inspection Team in December 1950 showed that the land prices had dropped by one-third to one-half as compared with those before the rent reduction (See table 4). The rent supervision project made another investigation in June, 1951. It showed that this trend was continuing and fairly consistent all over the island. Price level of owner-cultivated land was also on the decline but was not as noticeable. By comparison, tenanted land was one-third cheaper in price than the owner-cultivated land. This trend may produce two possible effects: it might help tenant farmers in acquiring land for themselves; it might also help landlords to evade the reform.

This anticipation became true in May, 1950, when JCRR first noted the development of a lease termination situation in the South where numerous 37.5% farm leases, concluded during rent reduction, were being terminated by landlords before their expiration dates. Superficially, such act of termination was initiated by the tenant. Actually, the tenant was forced to do so under the pressure of the landlord. After the lease was terminated, the landlord held the land under the pretext of self-cultivation and rented it to other tenant on terms higher than 37.5% or cultivated it by hired labor. In Tainan

Table 1

Acreage of Type Land and Grade Land Re-classified in Taiwan Under Project TW-G-4  
(Prepared by Taiwan Provincial Land Bureau and Translated by JCRR Land Division, Nov. 10, 1950)

Locality	Acreage of Taxed Land	Acreage Changes During Re-classification	Acreage of Land Re-classified (In Hectare)					
			Total Acreage		Acreage of Type Land Re-classified		Acreage of Grade Land Re-classified	
			Acreage	% Against Total Taxed Land	Acreage	% Against Total Taxed Land	Acreage	% Against Total Taxed Land
Taipei Hsien	165,444.3587	Estimated Acreage	9,286.0000	5.01				
		Investigated Acreage	9,939.0000	5.36				
		Re-classified Acreage	5,342.3303	2.88	2,097.0881	1.13	3,245.2422	1.7
Hsinchu Hsien	226,190.3846	Estimated Acreage	13,968.0000	6.18				
		Investigated Acreage	13,968.0000	6.18				
		Re-classified Acreage	2,631.0172	1.16	1,125.7859	0.50	1,505.2313	0.6
Taichung Hsien	225,961.7915	Estimated Acreage	44,710.0000	19.78				
		Investigated Acreage	37,198.0000	16.46				
		Re-classified Acreage	10,165.5275	4.50	3,101.3552	1.37	7,064.1723	3.1
Tainan Hsien	343,843.5558	Estimated Acreage	56,871.0000	16.54				
		Investigated Acreage	43,651.0000	12.69				
		Re-classified Acreage	17,105.6823	4.97	3,511.2572	1.02	13,594.4251	3.9
Kaohsiung Hsien	154,961.1935	Estimated Acreage	17,350.0000	11.19				
		Investigated Acreage	5,893.0000	3.80				
		Re-classified Acreage	4,199.8409	2.71	2,216.6488	1.43	1,983.1921	1.2
Hualien Hsien	32,018.4027	Estimated Acreage	500.0000	1.56				
		Investigated Acreage	3,643.0000	11.38				
		Re-classified Acreage	3,063.5726	9.57	1,769.5490	5.53	1,293.0226	4.0
Taitung Hsien	21,658.0199	Estimated Acreage	2,968.0000	13.70				
		Investigated Acreage	108.0000	0.50				
		Re-classified Acreage	952.7862	4.40	669.8649	3.09	282,9213	1.3
Penghu Hsien	11,343.9499	Estimated Acreage	3,000.0000	26.44				
		Investigated Acreage	147.0000	1.29				
		Re-classified Acreage	42.1778	0.37	36,3188	0.32	5.8590	0.0
Taipei City	6,049.5395	Estimated Acreage	100.0000	1.65				
		Investigated Acreage	161.0000	3.66				
		Re-classified Acreage	73.8321	1.23	62.8556	1.04	10.9765	0.1



Locality	Acreage of Taxed Land	Acreage Changes During Re-classification	Acreage of Land Re-classified (In hectare)					
			Total Acreage		Acreage of Type Land Re-classified		Acreage of Grade Land Re-classified	
			Acreage	% Against Total Taxed Land	Acreage	% Against Total Taxed Land	Acreage	% Against Total Taxed Land
Keelung City	12,402.9672	Estimated Acreage	1,722.0000	13.88	126.3132	1.02	9.4800	0.07
		Investigated Acreage	3,085.0000	24.87				
		Re-classified Acreage	135.7932	1.09				
Hsinchu City	20,872.3110	Estimated Acreage	496.0000	2.38	13.7492	0.07	588.6784	2.82
		Investigated Acreage	612.0000	2.93				
		Re-classified Acreage	602.4276	2.89				
Taichung City	14,538.7471	Estimated Acreage	1,064.0000	7.32	393.7633	2.71	283.1175	1.95
		Investigated Acreage	1,450.0000	9.97				
		Re-classified Acreage	676.8808	4.66				
Changhua City	5,863.3379	Estimated Acreage	768.0000	7.55	180.0372	1.77	133.5898	1.31
		Investigated Acreage	889.0000	8.73				
		Re-classified Acreage	313.6270	3.08				
Chiayi City	18,466.2797	Estimated Acreage	1,415.0000	7.66	135.8482	0.73	1,147.3068	6.22
		Investigated Acreage	1,291.0000	6.99				
		Re-classified Acreage	1,283.1550	6.95				
Tainan City	14,640.8778	Estimated Acreage	3,290.0000	22.48	507.4885	3.47	2,713.8201	18.54
		Investigated Acreage	3,290.0000	22.48				
		Re-classified Acreage	3,221.3086	22.01				
Kaohsiung City	10,646.6828	Estimated Acreage	521.0000	4.94	24.0143	0.23	453.3609	4.30
		Investigated Acreage	494.0000	4.68				
		Re-classified Acreage	477.3752	4.53				
Pingtung City	13,549.0003	Estimated Acreage	687.0000	5.07	387.3404	2.86	487.2264	3.59
		Investigated Acreage	1,460.0000	10.78				
		Re-classified Acreage	874.5668	6.45				
Yangminshan Administration	8,305.1863	Estimated Acreage	1,000.0000	11.97	89.9415	1.08	18.0209	0.21
		Investigated Acreage	280.0000	3.35				
		Re-classified Acreage	107.9624	1.29				
Total	1,326,701.8652	Estimated Acreage	159,716.0000	12.03	161,449.2183	1.24	34,820.6432	2.62
		Investigated Acreage	127,560.0000	9.61				
		Re-classified Acreage	51,269.8625	3.86				

Table 2

Percentage of the Re-classified Acreage of Private Tenanted Land As Against the Total Acreage Covered under the 37.5% Program in Taiwan Under TW-G-4

(Prepared by Taiwan Provincial Land Bureau and Translated by JCRR Land Division, November 10, 1950)

Locality	Total Acreage Covered Under 37.5% Program	Acreage of Private Tenanted Land Re-classified (In Hectare)					
		Total Acreage Re-classified		Acreage of Type Land Re-classified			
		Acreage	% Against Total Acreage Covered Under 37.5% Program	Acreage	% Against Total Acreage Covered Under 37.5% Program	Acreage	% Against Total Acreage Covered Under 37.5% Program
Taipei Hsien	34,483.3157	1,494.0544	4.33	173.5395	0.50	1,320.5149	3.83
Hsinchu Hsien	61,203.5173	1,421.4988	3.32	75.1801	0.12	1,346.3187	2.20
Taichung H	50,197.5344	3,271.2038	6.52	379.6838	0.76	2,891.5200	5.76
Tainan Hsien	60,876.7727	2,395.5618	3.94	521.0723	0.86	1,874.4895	3.08
Kaohsiung H	24,201.1869	656.8385	2.71	104.0122	0.43	552.8263	2.29
Taitung H	2,148.3011	124.0174	5.77	20.8014	0.97	103.2160	4.80
Hualien H	3,205.0472	140.1709	4.37	29.7387	0.93	110.4322	3.45
Penghu H	202.4414	-	-	-	-	-	-
Taipei City	1,353.0012	7.5272	0.56	7.5275	0.56	-	-
Keelung City	341.4560	4.0165	1.18	2.2990	0.67	1.7175	0.50
Hsinchu City	4,762.3953	373.4616	7.84	13.0633	0.27	360.3983	7.57
Taichung City	4,990.9169	159.8864	3.20	1.1608	0.02	158.7256	3.18
Changhua City	1,880.9957	65.1398	3.62	0.7213	0.04	64.4185	3.58
Tainan City	870.3481	184.8691	21.24	18.9948	2.18	165.8743	19.06
Chiayi City	4,624.3490	559.6671	12.20	2.1639	0.05	557.5032	12.06
Kaohsiung City	2,629.6525	331.9537	12.62	2.5015	0.10	329.4522	12.53
Pingtung City	4,674.9070	292.3776	6.25	3.8633	0.08	288.5143	6.17
Yangminshan Adm.	1,995.9643	10.0164	0.50	10.0164	0.50	-	-
Total	264,562.1027	11,492.2613	4.34	1,366.3398	0.52	10,125.9215	3.83



Table 3

Rent Burden Tenant Farmers on Private Tenanted Land Compared Before and After Land Re-classification in Taiwan Under Project TW-G-4

(Prepared by Taiwan Provincial Land Bureau and Translated by JCRR Land Division, Nov. 10, 1950)

Unit: Taiwan Catty (1 catty=0.6 kilogr)

Locality	Before Land Re-classification		After Land Re-classification		Volume of Crop Harvest and Rent Burden Compared Before and After Land Re-classification		
	Fixed Volume of Crop Harvest Before Re-classification	Tenants' Rent Burden Before Reclassification	Fixed Volume of Crop Harvest After Re-classification	Tenants' Rent Burden After Re-classification	Fixed Volume of Crop Harvest (+) Increase (-) Decrease	Tenants' Rent Burden (+) Increase (-) Decrease	Percentage (+) Increase (-) Decrease
Taipei Hsien	9,689,351	3,633,507	8,544,013	3,204,005	- 1,145,338	- 429,502	- 11.82
Hsinchu Hsien	10,300,332	3,862,624	9,818,372	3,681,889	- 481,960	- 180,735	- 4.67
Taichung H	25,139,858	9,427,447	23,037,584	8,639,094	- 2,102,274	- 788,353	- 8.46
Tainan H	13,697,642	5,136,616	12,689,684	4,758,632	- 1,007,958	- 377,984	- 7.36
Kaohsiung H	3,054,063	1,145,274	2,792,541	1,047,203	- 261,522	- 98,071	- 8.56
Hualien H	837,947	314,230	717,342	269,003	- 120,605	- 45,227	- 14.39
Taitung H	162,107	60,790	149,660	56,122	- 12,447	- 4,668	- 7.68
Penghu Hsien	-	-	-	-	-	-	-
Taipei City	48,530	18,199	60,386	22,645	+ 11,856	+ 4,446	+ 24.43
Keelung City	16,892	6,335	12,073	4,527	- 4,819	- 1,808	- 28.52
Hsinchu City	2,654,309	995,366	2,653,090	994,909	- 1,219	- 457	- .05
Taichung City	1,528,293	573,110	1,375,143	515,679	- 153,150	- 57,431	- 10.02
Changhua City	703,913	263,967	702,774	263,540	- 1,139	- 427	- 0.16
Tainan City	555,098	208,162	485,778	182,167	- 69,320	- 25,994	- 12.49
Chiayi City	1,573,124	589,921	1,477,773	554,165	- 95,351	- 35,757	- 6.06
Kaohsiung City	3,010,107	1,128,790	2,920,028	1,095,010	- 90,079	- 33,780	- 2.90
Pingtung City	2,443,480	916,305	2,159,735	809,908	- 283,745	- 106,404	- 11.61
Yangminshan Administration	84,422	31,658	38,967	14,613	- 45,455	- 17,045	- 5.38
Total	75,499,468	28,312,301	69,634,943	26,113,104	- 5,864,525	- 2,199,197	- 7.77

Table 4. Changes in Value of Land under Tenant Cultivation in Taiwan \*

(Prepared by Provincial Land Bureau and JCRR Land Reform Division)

County	Year	8th Grade Land			12 Grade Land			14 Grade Land		
		Highest	Medium	Lowest	Highest	Medium	Lowest	Highest	Medium	Lowest
Keelung City	1948	-	-	-	21,000	18,500	17,500	18,500	14,500	13,000
	1949	-	-	-	18,500	16,000	15,000	14,000	12,500	11,000
	1950	-	-	-	16,500	12,500	12,000	12,000	9,500	9,200
	1951	-	-	-	15,000	12,000	10,000	11,000	9,300	9,000
Taoyuan Hsien	1948	33,000	31,000	27,000	23,000	21,000	18,000	18,000	17,000	14,000
	1949	26,000	24,500	22,500	17,500	15,500	13,500	14,000	13,500	13,500
	1950	24,000	23,000	19,500	16,500	15,500	14,000	14,000	13,000	12,000
	1951	23,000	22,000	18,500	15,500	14,500	12,500	12,500	12,500	10,000
Hsinchu Hsien	1948	34,720	33,920	33,100	25,290	22,060	20,840	17,250	16,030	14,800
	1949	19,145	17,694	16,242	13,794	11,888	9,983	11,389	9,806	8,223
	1950	15,085	14,029	12,972	9,122	9,034	8,847	7,157	7,057	6,957
	1951	13,503	12,905	12,307	9,051	8,361	7,571	6,871	6,433	5,995
Kaohsiung H	1948	47,083	42,083	38,500	39,916	39,033	38,333	34,166	33,333	32,500
	1949	20,070	18,858	19,651	18,418	18,315	17,276	11,940	10,875	10,000
	1950	19,759	17,636	17,515	15,136	14,648	11,432	11,768	10,500	9,122
	1951	19,256	16,052	16,654	14,923	14,442	11,402	11,712	10,325	8,994
Pingtung Hsien	1948	33,000	31,500	30,000	30,000	24,000	22,000	14,000	12,000	10,000
	1949	28,000	26,000	24,000	25,000	20,000	17,000	11,000	10,000	8,000
	1950	22,000	20,000	18,000	18,000	15,000	13,000	8,000	7,500	7,000
	1951	18,000	16,000	14,000	15,000	14,000	10,000	8,000	7,000	6,500

\*Land value is expressed in terms of unhulled rice per chia (0.9699 ha.)



Hsien alone, more than 2,000 such cases were reported and unfortunately most of them had been approved by the local magistrate. In other areas, such as Pingtung, Tainan and Hsinchu, the landlords instituted court proceedings to terminate the leases in defiance of the reform. The situation developed later to such an extent that the village government submitted such cases by long lists instead of by single cases. Alarmed at the situation, the National Government took the lead of despatching a special Cabinet inspection team in December, 1950 to prevent the situation from extending. In January, 1951, the Provincial Government followed suit by instituting a rent supervision strengthening program with JCRR aid. But the latter type of policing work did not start until two months later.

The supervision project has taxed the best brains of JCRR and the Provincial Land Bureau. Supervision on rent reduction in Taiwan was by no means new after the reform. Before 1951, two rent supervision programs had been in operation. The supervision work, however, was intermittent and inspection personnel were half-time workers. The inspection work was confined to harvest times and random sampling of tenant families and their farm leases was made to find out whether rent was paid accordingly to the reduced scale. About 126 county workers and 26 provincial inspectors covered the Province in two months after each harvest. This inspection pattern was effective during the first two years of enforcement, but became ineffective when the number of rent disputes became alarmingly great. JCRR and Provincial Land Bureau, therefore, designed a new supervision pattern using full-time employees with full pay. Under the new program, seven supervision regions were created; each consists of from one to five counties depending upon the magnitude of the rent evasion problem. In conducting the supervision work, a total of 90 inspectors - 82 county inspectors and 8 provincial inspectors - were employed and detailed to designated areas. The county inspectors, from two to six for each county, are to discover, investigate and settle all kinds of rent disputes in the field. The provincial inspectors are to supervise and assist the inspection work regularly. Besides, they are to make surveys on land price, tenant purchase of land and other investigations. At the end of each month, a reviewing conference of the provincial inspectors is called to discuss and to solve new problems. JCRR appropriated a sum equivalent to US\$27,394 during the period from March to June, 1951, as the operational fund to pay the travel expenses, per diem, and in some cases, salaries for the inspectors. Along with the new supervision setup, the Provincial Government issued a 10-point supervision directive providing important instructions to guide the mediation of various disputes. The directive also authorized the inspectors with the power of issuing arrest orders through the local government to landlords or tenants who defy the inspectors' decision or mediation.

This project was started in March, 1951. All inspectors went to rural areas and collected cases of disputes from village and township offices, farmers' organizations and tenants. The cases were investigated and settled. Report at the end of March recorded a total of 4,868 disputes in the whole Province. As the investigation went on, disputes grew in number monthly. The April figure increased to 6,087. In May, it jumped to 15,163 and at the end of June, it went up to 16,349 cumulatively. In settling these disputes, inspectors tried mediation first, and if necessary, by arbitration. A large number of settlements was made either by compromise or arbitration. Only in few cases, pressure had to be used for enforcement by arresting the defiant party, mostly landlords, when arbitration failed. The disputes in most cases were caused by the reduced circumstances of the small landlords and also by the superior economic, political, and social position enjoyed by the more powerful landlords. By categories, they fall into the following types:

- a. Dispute on lease termination: This type of dispute which made up 8,877 cases out of a cumulative total of 16,349 up to the end of June, 1951, threatens to undermine the rent reduction reform more than any other type. The main motive behind such act was that the landlord wanted either to sell the land at the owner-cultivated land price, or to get more returns from the land by self-cultivation; or that he simply did not agree to any reduction or exemption of rent during a lean year when the tenant could not afford to pay the regular rental. There were cases wherein the termination was made actually with the consent of the tenant because the latter was a relative of the landlord and wanted to help him out of his economic difficulties.
- b. Dispute on payment and collection of rent: This type of dispute arose largely from different views held by the contending parties: (1) on the kind of crops, (2) on rent delinquency caused by harvest loss, (3) on deposit money which the landlord deferred to return; therefore tenant refused to pay rent. Such disputes prevailed mostly in Tainan, Hsinchu, and Taipei Hsien. They were settled mostly by mediation or arbitration.
- c. Dispute on over-collection of rent: This kind of disputes had been wiped out in 1950. However, when the lease termination situation became serious in 1950, this practice was revived by some landlords who did not terminate the lease but force the tenants to pay more rent than the legal amount as compensation. It occurred mostly in remote areas and was settled by compelling the landlords to return the amount over-collected.
- d. Dispute on refusal to sign 37.5% lease: Such dispute was usually hidden by the tenants under duress during rent reduction. It was first discovered by the inspectors and later from the tenants who suffered from the illegal leases and saw that the Government was determined to wipe out all rent grievances.

Besides these four types, there were also such disputes as fraudulent tenant purchase where landlord and tenant agreed to make a false transaction by selling the land to the tenant first and then re-sell it to another person by the tenant at owner-cultivated land price. The tenant was then given 50% of the difference between the market prices of tenanted land and owner-cultivated land. Such cases were relatively few.

Factors responsible for acts of evasion are many. Besides the decline of land price which caused landlord to sell land fast, the rent reduction was another important factor. A set of regulations, adopted in 1949, was only an executive directive and had not become law. Taking advantage of this, landlords sought to justify their evasions through court; and the local magistrates and courts were usually inclined to overlook these evasions. Another cause was that the rent reduction program did not give the tenant absolute security of tenure. The 1949 regulations provide for 3, 5 or 6-year tenure of lease. Most contracts cover only a 3-year period and will expire in 1951. Since landlords are not bound to renew the contracts, they hold a threat over the tenants and are in a position to induce them to violate the program. These shortcomings are now overcome by the enactment of a Rent Reduction Law by the Legislative Yuan on May 25, 1951. The Law extends the lease tenure to a 6-year term and provide serious punishment for its violation or evasion. It will serve to safeguard the reform if enforced with rigid supervision.



### 3. Land Commission Project

In spite of the fact that disputed land was re-graded and regular rent supervision work conducted to solidify the rent reduction program, fundamental safeguard of the reform has to be sought after by farmers themselves rather than the Government. Only after the farmers themselves realize the real benefit of the reform and can have a chance to voice their needs could the reform be of everlasting value. For this reason, the Rent Reduction Law of May 25, 1951 provides for the organization of farm tenancy committee at different levels to safeguard the reform. In putting this provision into effect, the land commission project becomes the third task under rent reduction (Art. 3, Appendix G).

Taiwan has long needed such a project. The 1949 rent reduction regulations did provide a 37.5% farm tenancy committee for such a commission. But in reality, these commissions were not functioning. First, the tenant representation in the commissions constituted only one-third of the total commission membership which incapacitated the very function of the organization. Secondly, these commissions never did meet. In September, 1949 when Mr. Ladejinsky first visited and toured the Island inspecting the rent reduction project, he strongly recommended re-organization of such tenancy committees after the pattern of the Japanese land commission where tenant farmers occupy at least one-half of the total commission membership. Government action on this proposal was delayed due to various reasons. The most important one was the landlords' opposition. Such opposition receded later on account of public agitation for further reform. Amidst such atmosphere and along with the legislation of the Government to punish the rent evaders, a provision for re-organizing the land commissions finally gained popular approval and was enacted in the new Rent Reduction Law on May 25, 1951.

After the enactment of this Law, the Taiwan Land Bureau started working on the re-organization of the land commissions. The detailed project is now being elaborated, but a set of preliminary principles has been worked out with the cooperation of JCRR. In the main, it consists of the following features:

- (1) Before the re-organization takes place, all activities of the existing land commissions (37.5% farm tenancy committees) on village, township, county and city levels shall be suspended.
- (2) All commissions, totalling 348 in number throughout the whole Province, shall be re-organized on the basis that tenant membership should not be less than one-half of the total commission membership. The organization work shall be completed within a period of three months.
- (3) The commission members shall be elected by popular vote from township to county and city levels. They shall have a 2-year tenure of office subject to re-election or recall by each group.
- (4) The re-organized land commission shall be given the power to mediate all kinds of rent and land disputes between tenant and landlord before such disputes are brought to court.

This project, once carried out, will gradually shift the rent supervision duty from the government to the farmers; thus, the tenants' interest will be protected by themselves, rather than by others acting on their behalf. Besides, the commission could serve as a training ground for new village leadership so badly needed in Taiwan. Finally, it will also help to carry out the private land purchase reform now under planning.

Table 5

Number of Lease Termination Disputes Raised and Settled in Taiwan  
Under TW-G-9, by Regions up to June 30, 1951

(Prepared by Provincial Land Bureau & JCRR Land Division)

Region	Total Number of Dispute	No. of Disputes Settled With Land Returned	No. of Disputes Settled Pending Return of Land	No. of Disputes to be Settled	Remarks
Taipei	526	420	60	46	
Hsinchu	462	151	280	31	
Miaoli	781	342	413	26	
Taichung	1,586	977	609	-	
Tainan	4,190	2,161	1,996	33	
Kaohsiung	1,029	215	759	55	
Taitung	524	313	181	30	
Total	9,098	4,579	4,298	221	



Table 6

Number of Tenants, Landlords, Farm Leases & Acreage Involved  
in the Lease Termination Disputes in Taiwan Under TW-G-9 by Regions Up to June 30, 1951

Region	No. of tenants (Family)	No. of landlords (Family)	No. of lease termination cases (case)				Acreage Involved in Lease Termination Cases (China)			
			Termination granted	Termination Rejected		Total	Termination granted	Termination Rejected		Total
				Leased to original tenant	Leased to new tenant			Leased to original tenant	Leased to new tenant	
Taipei	508	505	7	57	416	480	8.2553	38.5249	368.4019	451.1821
Hsinchu	455	423	11	208	212	431	4.8678	186.2886	267.4641	458.6205
Miaoli	727	611	283	448	24	755	149.3216	253.6414	15.5876	418.5506
Taichung	1,556	1,510	134	1,048	414	1,586	54.8354	443.4515	223.6323	721.9192
Tainan	4,150	3,843	1,250	2,404	503	4,157	895.4842	991.6691	243.1987	2,130.3520
Kaohsiung	948	863	114	490	370	974	120.5284	202.9721	250.4644	573.9649
Taitung	505	436	172	250	67	494	143.0935	198.7429	93.2315	435.0679
Total	8,849	8,191	1,971	4,900	2,006	8,877	1,376.3862	2,315.2905	1,461.9805	5,153.6572

Note: These terminations granted include such cases where the termination was caused by tenant purchase of the leased land. One chia represents 0.9699 hectare.

Table 7

Number and Kinds of Other Rent Disputes Raised & Settled in Taiwan Under TW-G-9, by Regions up to June 30, 1951  
(Prepared by Provincial Land Bureau & JCRR Land Division)

Region	Total Number of disputes	No. of disputes settled	No. of Disputes to be settled	Nature of Disputes Analyzed					
				Deposit Money	Harvest Loss	Rent of Farm House or Site	Priority Right of Purchase	Priority Right of Lease	Rent Payment
Taipei	256	229	27	12	134	16	24	16	54
Hsinchu	174	154	20	5	58	11	36	25	39
Miaoli	139	81	58	17	37	18	14	4	49
Taichung	331	329	2	6	145	-	61	12	107
Tainan	5,436	5,410	26	2	5,115	2	76	-	241
Kaohsiung	723	684	39	-	685	-	17	-	21
Taitung	192	180	12	-	154	-	8	4	26
Total	7,251	7,067	184	42	6,328	47	236	61	537

Table 8

Number of Tenants, Landlords and Farm Leases Involved in Other Rent Disputes in Taiwan Under TW-G-9, by Regions Up to June 30, 1951

Region	No. of Tenants (Family)	No. of Landlords (Family)	No. of Farm Leases	Average
Taipei	110	108	256	104.6154
Hsinchu	160	157	174	163.0445
Miaoli	76	56	139	121.3004
Taichung	209	150	331	212.4976
Tainan	5,404	5,370	5,436	3,125.9018
Kaohsiung	716	434	723	562.8761
Taitung	116	107	192	28.6098
Total	6,791	6,382	7,251	4,318.8456



Table 9

Number of Field Workers Mobilized Under the TW-G-9, by Regions Up 30, 1951  
(Prepared by Provincial Land Bureau and JCRR Land Division)

Region	County and					Nature of Work		
	Total	Provincial level	City level	Township level	Village level	Field inspection	Office work	Total
Taipei	1,977	6	85	421	1,465	1,274	703	1,977
Hsinchu	161	6	38	80	37	104	57	161
Miaoli	133	5	48	80	-	78	55	133
Taichung	3,395	6	38	399	2,952	1,910	1,485	3,395
Tainan	1,171	6	113	431	621	810	361	1,171
Kaohsiung	373	6	47	264	56	191	182	373
Taitung	115	5	21	56	32	72	43	115
Total	7,325	40	390	1,731	5,163	4,439	2,886	7,325

Table 10

Number of Tenants, Farm Leases, Farm Tracts and Acreage  
(By Counties) in Taiwan Under the 37.5% Program Up to Dec. 31, 1949  
(Prepared by Provincial Land Bureau and JCRR Land Reform Division)

County	No. of Tenants Family	No. of Farm Leases	No. of Farm Tracts	Total Acreage in Chia			
				Total	Paddy Field	Dry Land	Others
Taipei Hsien	33,971	38,073	136,986	34,483.3156	31,578.1564	2,758.9504	146.2088
Hsinchu Hsien	45,862	54,662	213,531	61,203.5173	52,380.6489	8,171.9365	850.9319
Taichung Hsien	78,508	90,259	151,393	50,197.5343	44,750.9398	5,396.0103	50.5842
Tainan Hsien	72,760	101,173	155,086	60,876.7726	50,492.3752	10,378,3096	6.0879
Kaohsiung Hsien	34,914	44,408	63,946	24,201.1869	19,304.1664	4,865.3047	31.8158
Taitung Hsien	2,157	2,710	5,362	2,148.3010	1,546.9091	601.0819	0.3100
Hualien Hsien	3,224	3,929	8,566	3,205.0473	2,559.4525	639.1738	6.4210
Penghu Hsien	951	1,400	2,428	202,4414	-	202.4414	-
Taipei City	1,712	1,869	6,687	1,353,0012	1,331.7973	21.2039	-
Keelung City	408	410	2,124	341.4560	306.7500	34.7060	-
Hsinchu City	4,764	6,145	14,246	4,762.3952	3,813.9992	947.8527	0.5433
Taichung City	5,657	7,015	10,845	4,990.9169	4,860,1562	130.7607	-
Changhua City	2,627	2,656	5,665	1,800.9958	1,757.7531	42.5461	0.6966
Tainan City	1,144	1,345	1,982	870,3481	235.8644	478.3869	156.0968
Chiayi City	5,139	7,650	12,763	4,624.3490	3,974.4012	637.7407	13.2071
Kaohsiung City	4,403	5,194	8,080	2,629.6525	2,430.5657	198.3232	0.7636
Pingtung City	5,965	8,736	12,313	4,674.9069	4,302.7904	372.1165	-
Yangminshan Administration	2,307	2,839	7,576	1,995.9643	1,976.3391	17.5192	2.1060
Total	306,473	380.473	819,579	264,562.1023	227,603.0649	35,894.2644	1,064.7730



Table 11

Changes in Number of Tenants, Farm Leases, Farm Tracts and  
Acreage by Counties in Taiwan Up to June 30, 1951

(Prepared by Provincial Land Bureau and JCRR Land Reform Division)

County	Year	No. of tenants	No. of farm leases	No. of Farm tracts	Total Acreage in Chia (0.9699 hectare)			
					Total	Paddy field	Dry land	Others
Taipei Hsien	June 1951	19,657	24,245	92,516	19,876.2467	18,903.1624	971.3774	1.7069
Yilan Hsien	June 1951	13,375	16,683	42,520	13,676.3102	12,853.2770	705.0110	18.0222
Taoyuan Hsien	June 1951	19,640	24,006	116,946	33,587.5377	30,730.7390	2,217.5773	639.2214
Hsinchu Hsien	June 1951	16,686	19,220	72,334	19,408.6151	14,401.0137	4,064.7813	942.8201
Miaoli Hsien	June 1951	14,703	18,030	60,208	13,579.3922	11,481.7271	1,753.6771	343.9880
Taichung Hsien	June 1951	24,573	30,542	52,287	20,859.7669	19,304.1211	1,505.6846	49.9612
Changhua	June 1951	36,690	47,835	65,080	21,946.1325	19,520.1232	2,407.3821	18.6272
Nantou Hsien	June 1951	12,579	16,038	28,477	8,936.6520	7,907.0939	1,027.9814	1.5767
Yunlin Hsien	June 1951	22,550	29,837	47,232	18,216.0153	15,745.2170	2,406.3889	4.4094
Chiayi Hsien	June 1951	22,316	33,588	50,545	19,568.6464	18,151.9762	2,398.9310	17.7397
Tainan Hsien	June 1951	32,962	47,724	73,660	27,976.0476	21,921.9018	6,052.5078	1.6380
Kaohsiung Hsien	June 1951	15,322	20,787	31,013	9,898.2197	7,408.8849	2,477.4493	11.8855
Pingtung Hsien	June 1951	24,217	33,435	48,106	18,536.4100	15,791.4063	2,735.8171	9.1866
Taitung Hsien	June 1951	2,154	2,715	5,399	2,131.8995	1,523.2117	607.7042	0.9836
Hualien Hsien	June 1951	3,181	3,864	8,306	3,141.2483	2,512.2904	622.6599	6.2980
Penghu Hsien	June 1951	942	1,167	2,383	202.8808		202.8808	
Keelung City	June 1951	391	455	2,622	410.6324	386.3196	7.2598	17.0530
Taipei City	June 1951	1,716	1,871	6,810	1,357.0081	1,335.8642	21,1439	
Taichung City	June 1951	6,008	7,049	13,907	5,029.6650	4,920.4029	127.1955	0.0669
Tainan City	June 1951	1,174	1,392	2,023	897.4891	240.8930	493.7392	162.8569
Kaohsiung City	June 1951	4,287	5,102	7,878	2,580.9816	2,389.3422	191.6394	
Yangminshan Administration	June 1951	2,366	2,899	7,693	2,009.0471	1,967.2928	39.6483	2.1060
<b>Total</b>		<b>297,489</b>	<b>388,484</b>	<b>832,945</b>	<b>263,826.8452</b>	<b>228,378.2611</b>	<b>33,198.4373</b>	<b>2,250.1468</b>

Note: This table should be read in connection with Table 10. The county divisions were readjusted in 1950 from the original 18 units of 8 hsien, 9 cities and 1 administration.

Table 12

Tenant Purchase of Land in Taiwan After Rent Reduction by Number of Tenants, Farm Leases and Acreage Under the TW-G-9 Up to June 30, 1951

(Prepared by Provincial Land Bureau and JCRR Land Reform Division)

Locality	No. of tenants Family	No. of farm leases	Total Acreage in Chia			
			Total	Paddy Field	Dry land	Others
Taipei Hsien	282	280	222.0814	168.7324	25.4869	27.8621
Yilan Hsien	374	398	261.0232	175.1253	85.8471	0.0508
Taoyuan Hsien	150	151	213.7581	181.2566	28.7324	3.7690
Hsinchu Hsien	482	488	426.9882	273.9917	141.7888	11.2077
Miaoli Hsien	279	261	157.1624	132.8578	22.3164	1.9882
Taichung Hsien	1,981	1,981	581.5668	483.4744	92.2936	5.7988
Changhua Hsien	1,657	1,657	549.3214	469.5772	78.4028	1.3414
Nantou Hsien	354	431	142.5531	122.4737	20.0794	-
Yunlin Hsien	1,020	1,031	537.7919	413.2141	76.8758	47.7028
Chiayi Hsien	724	840	431.7923	351.3520	80.4403	-
Tainan Hsien	749	768	331.8763	293.0605	38.8150	-
Kaohsiung Hsien	396	396	152.5813	100.1894	52.2650	0.1269
Pingtung Hsien	465	472	211.3029	181.3396	29.9633	-
Taitung Hsien	360	370	117.9612	71.2120	46.7492	-
Hualien Hsien	42	40	26.2033	20.1928	5.8875	0.1230
Penghu Hsien	5	6	0.4170	-	0.4170	-
Keelung City	4	4	5.0225	4.5440	-	0.4785
Taipei City	11	8	5.4728	5.4196	0.0532	-
Taichung City	562	562	312.9777	233.0694	24.4173	55.4910
Tainan City	15	15	9.3980	-	9.3980	-
Kaohsiung City	577	577	215.5888	161.0372	54.4606	0.0910
Yangminshan Administration	50	46	21.1956	16.6320	4.0306	0.5330
Total	10,539	10,782	4,934.0362	3,858.7517	918.7202	156.5643



In support of this project, JCRR approved in principle a budget of an equivalent to US\$74,570 for training, travel, supervision, printing and clerical expenses. The work was to be started in the later part of 1951.

#### B. Land Purchase

In developing the second phase of land reform in Taiwan, both the Chinese Government and JCRR were in favor of a program to establish a family-size farm system on the basis of the existing farm ownership. This is a natural outcome after two years of rent reduction. The land price has drastically dropped, the tenant has begun to purchase land, and the landlord has been discouraged in using land as an investment. These consequences have created a favorable background for a land purchase project.

Two difficulties were encountered, however, in undertaking this task. First, it must be known how much land is available for purchase from the present landowners. Second, if private lands are to be taken over by purchase for re-sale to the tenants, what should be done with the public land owned by the Government? Furthermore, to what extent could the Government help the tenants under the purchase program if the latter could not make cash payment in full out of their own savings? To solve these two problems, two projects one on land holdings classification and the other on public land sale, were undertaken before a full-fledged land purchase project is launched.

##### 1. Land Holdings Classification Project

In planning a land purchase project, certain basic information must first be obtained. These are:

- (1) How much land does each landowner hold?
- (2) How much land does each landowner group hold?
- (3) How much land should each landowner hold under the land purchase program?
- (4) How much land is available for purchase besides those permitted to be held by landowners?

In trying to answer these questions, the Taiwan Land Bureau proposed a private land purchase project in May, 1951. This project calls for roughly 168,318 hectares of private land to be made available for purchase. This figure was largely a guess. The lack of accurate data on land ownership conditions technically prevented the planning and initiation of an appropriate land purchase project. To overcome this difficulty, a land holdings classification program was proposed and underwritten by JCRR.

During the early summer of 1950, the JCRR Land Division had studied the method of approach in instituting a land ownership census of the whole Province. In June of the same year, JCRR staff met with local land officers of various county governments at Taichung Hsien to explore the possibilities. After that, a series of conferences were held and field inspection made in the South and North of the Island to discuss the working plan. The conclusion was that since Taiwan had no readily available data on land ownership, the way to get such data was to survey the government land cadastre to classify the land holdings by using a card system including both the land location card and the land ownership card. This survey should be undertaken on an experimental basis and eventually extended to the whole Province. In October, 1950, a set of working procedures for the experiment was worked out; Kaohsiung and Pingtung in the South were selected as the experimental areas. The Joint Commission made two appropriations totalling US\$42,453 (\$23,444 for Kaohsiung and \$19,009 for Pingtung) for the experiment, setting the working period at six months. In January, 1951, the two projects were started.

The whole procedure of this study is divided into three steps: namely; tabulating the land location cards, tabulating the land ownership cards, and analysing the land ownership statistical data. The compilation of land location cards, constituted the most difficult part of the whole study. Each card bears 4 major items: (1) land mark, (2) land use conditions, (3) land ownership conditions, and (4) other rights to the land. Workers under the project are to put down the description under items (1), (3) and (4) from the record in the land registration book with reference to the land tax-payer classification book (made during the Japanese rule), and to put down the description of "tenanted land" and "owner-operated land" under item (2) from the 37.5% farm lease file. After these descriptions were entered on the cards an on-the-spot investigation to check the descriptions with the actual conditions in the field was to be made separately. Land under joint ownership of several owners was classified in the same way as land under single ownership by taking their representative as the legal owner.

The next step is to tabulate the land ownership card. This card is made by grouping all the land location cards by districts according to the residence of the owner. Land location cards of those owners not residing in the district where the land is situated are sent to the county government for classification. The county governments classify all the land location cards by grouping land of all landowners under the owner's name. This card is printed in three different colors, card for resident-landlord in red; card for absentee-landlord in green and the duplicate card for absentee-landlord in black. In this ownership card two items, (1) land mark and (2) land use conditions, are provided on the owner's basis. Then on each ownership card, the description of each tracts of land is recorded according to the land location cards of that owner. When this is done, all lands of the same owner will appear on the ownership card and the tabulation procedure is completed.

The land holdings classification does not end with the compilation. The data has to be analyzed for presentation. The following 14 kinds of statistical data on land ownership and land use conditions are obtainable from the classification cards.

- (1) Number of tracts and acreage of all land by grades and types.
- (2) Percentage and acreage of all public and private land.
- (3) Percentage and acreage of all tenanted land and owner-operated land.
- (4) Number of landowners and acreage of their land and percentage.
- (5) Acreage of land and the number of the owners and percentage.
- (6) Percentage and number of landowners in acreage categories.
- (7) Numbers of tracts, acreage and percentage of different categories of land.
- (8) Number and percentage of owner-farmers in different acreage categories.
- (9) Number and percentage of landlords in different acreage categories.
- (10) Number and percentage of landlord and owner-farmer in one person in different acreage categories.
- (11) Acreage and percentage of all acreage categories of land owned by owner-farmers.
- (12) Acreage and percentage of all acreage categories of land owned by landlords.
- (13) Acreage and percentage of all acreage categories of land owned by landlord and owner-farmer.
- (14) Acreage and percentage of various kinds of farm crops on public and private land.



These statistical data provide useful information on land ownership and land use conditions of the whole Province. Only on the basis of such data an appropriate land purchase program could be worked out. Furthermore, this classification project would serve as a basis for the future revision of the existing land cadastral system. Modern land cadastre should consist of two different land registration books: one on land location, one on land ownership. The land location registration book gives references to physical conditions of the property while the land ownership registration book to the legal status of the property. The present land cadastre of Taiwan has only one set of land registration book, on land location. The other set, on land ownership, is lacking. The classification project will supplement the existing land cadastre with a land registration book on land ownership and replace the two kinds of land registration books by a card system, thus modernizing the whole land cadastral system. It shall safeguard rent reduction work, facilitate improvement on government taxation, and provide other agricultural information.

By June 30, 1951, the card compilation work under the Kaohsiung and Pingtung projects were completed. The Kaohsiung project produced a total of 285,951 land classification cards (228,350 land location cards and 57,601 landownership cards), and the Pingtung project yielded a total of 221,669 land classification cards (176,654 land location cards and 45,019 landownership cards). The final analysis of the data for the two hsien was completed in August. In order to get an overall land distribution picture of the whole Province, similar projects should be followed in the other twenty administrative areas.

In a special conference on land purchase called by Governor K. C. Wu on June 15, 1951, the Governor announced that the sale of private land to tenants is a fixed policy of the Government and that the project will be initiated as soon as the land holdings classification program is completed. To speed up the work, the Governor requested JCRR to help the Government with necessary funds to complete the land ownership classification program on province-wide scale. JCRR agreed in principle to support this program. It approved three more projects for Taichung Hsien, Miaoli Hsien and Tainan Hsien on July 29, 1951 with a total budget of US\$86,421 (\$19,660 for Taichung, \$21,845 for Miaoli and \$43,916 for Tainan). For the remaining 17 administrative units, a total budget of US\$155,000 was proposed by the Land Division to the Commission for approval. The whole project which consists of 20 individual sub-projects will be (excluding the Kaohsiung and Pingtung projects) immediately undertaken as soon as the budget is approved. JCRR plans to have the whole project completed in early 1952 to facilitate an early initiation of a land purchase project in 1952.

## 2. Public Land Purchase Program

After V-J Day, the Chinese Government took over land owned by the Japanese individuals, corporations and administrative organs. Such land is now known as public land. According to the Government records, land of this category totals 182,000 hectares, 21% of all arable land in Taiwan or 27% of the privately-owned land. The public land is divided into four groups: national, provincial, county and township, with 89,000, 84,000, 5,000 and 4,000 hectares respectively. Today 145,000 hectares of the public land are controlled by the Government-owned corporations. Taiwan Sugar Corporation alone has 122,000 hectares or two thirds of the public land. In the pre-Japanese days, most of the public land were privately owned. The Japanese accumulated vast holdings through free transaction and forced sales when they were developing the sugar industry. This process reduced a great number of former owners to the status of tenants or farm-laborers on the so called public land. As a result, the Government became the biggest landlord in Taiwan. The tenants look upon the public land with a greater preemptive right over the tenanted land of private landlords.

In planning for a private land purchase program as a part of the land reform program, the problem of this vast public estate was naturally raised. The Taiwan Provincial Government accordingly proposed a public land project in the late fall of 1950 to dispose of part of the public land. According to this program, the present tenants on public land shall have the priority to purchase the land with the purchase price fixed at  $2\frac{1}{2}$  times the value of the main crop yield on the land to be amortized in 7 annual installments. The Provincial Government put up 36,000 hectares (13,000 hectares of irrigated land and 23,000 hectares of dry land), slightly over one-fifth of the total public land, for sale to the tenants. Of these 36,000 hectares, about 1,700 hectares belonged to Taiwan Sugar Corporation. The total acreage involved was small, and more than half of the land, poor. There were 14,000 hectares, formerly owned by the Formosa Colonization Company (Japanese) and by Japanese individuals, which were of 12th grade or fairly good land. The other 22,000 hectares were of 16th or 20th grades or inferior. The program further provides that the part of sales income which exceeds the amount of the original rent income shall be used to finance a private land purchase program. (This total sales income was estimated at NT\$165,695,914 while the original annual rent income, NT\$12,767,346).

This project was submitted by the Provincial Government to the National Government for approval in November, 1950. The Cabinet discussed it mainly around the question whether the ownership of these public land should be granted to the operating agencies from the viewpoint of better use of the land. JCRR followed the debate closely. It maintained that the ownership should not be so granted because, first, the present use of the land by the corporations is by no means better than by tenants. Secondly, even if it is better, the granting of ownership is not in accordance with the principle of preemption to which farmers have the priority. But strong opposition prevailed then and the battle for the sale of those corporation-operated public land was lost. On March 21, 1951, the 177th Executive Yuan Conference declared in an executive directive that all land now assigned to government corporations shall be granted to the corporations as their property. With 122,000 hectares of public land under its use, the Taiwan Sugar Corporation became the principal beneficiary of this resolution. Since a part of the 36,000 hectares controlled by the government corporations had to be pulled out from the program as a result of the decision, the public land program submitted by the Provincial Government fell far short of its proposal.

The matter was brought up again after Mr. W. I. Ladejinsky's arrival on April 20. Mr. Ladejinsky advanced the following points: (1) The public land purchase project now under consideration falls far short of its requirements; (2) All available public land should be pooled in order to carry out an effective project; (3) The Government should set the pace with a much larger acreage of public land than heretofore planned; (4) Politically, such a step would meet with much greater popular approval among the farmers; and (5) Any other course of action is bound to raise doubts about the good faith of the Government in carrying out a land transfer program. The talks revolved mainly around the biggest land holder, Taiwan Sugar Corporation, and the 122,000 hectares it owns. The corporation itself claimed to be cultivating 59,000 hectares; 43,000 hectares are rented to farmers; railroad, plant and building sites occupy another 6,000 hectares, and, finally, 13,000 hectares were earmarked for return to the Government. It was felt that the Corporation could certainly dispense with the 43,000 hectares of the tenanted land and with a sizeable portion of what it claims under "self-cultivation". This raised two questions: How essential is the land to the Corporation? Should not the Corporation concentrate on sugar processing and refining and only retain a small acreage for experimental purposes rather than engage in the management of large plantations and renting out land to thousands of tenants? A statement made by an important Corporation



official, "Our main concern should be to secure the requisite volume of cans regardless of its source", served to indicate the desirability of a thorough examination of these two questions.

The discussion resulted in a decision to set up a technical committee in the Cabinet. This committee was to study these questions and make recommendations as to how much land should be set aside from the corporation's holdings to enlarge the scope of the public land project. If the Corporation were to retain 40,000 or 50,000 hectares, there will still be not less than 100,000 hectares of public land available for sale to tenants. In addition to the 200,000 hectares of private land a total of 300,000 hectares will be made available for sale. It would substantially boost the land purchase project in the second phase of land reform program in Taiwan. Moreover, if this step is taken, the income from the sale of this land might also provide one important source of revenue to be used for compensation to the landlords, provided the annual payments made by the tenants under the program are to be set aside by the Government for that purpose. A fund of this kind, in addition to the payments the tenants are expected to make under the private land purchase scheme, would solve the problem of giving landlords a fair portion of cash for their land. These suggestions were communicated to Premier Chen Cheng and the Premier expressed his full support. On the following day, May 30, 1951, the Cabinet approved the 1951 public land program submitted by the Provincial Government.

In the approved program, the Cabinet made two important revisions: (1) The tenant purchaser may pay for the land in ten, instead of seven, annual installments with a further clause to make each annual installment not more than the amount of 37.5% rent. These modifications are to lessen the burden of payment of the tenants, (2) All the proceeds from the sale of national land, as distinct from provincial, will be used for the purchase of private land under the private land purchase program. This is to provide one reliable source to finance the private land purchase. These are improvements over the original provisions, However, Article 2 which states "The public land to be sold under the program shall be confined to those cultivated land which are owned by the national and provincial governments" remains unchanged. This, in conjunction with the cabinet decision of March 21, 1951, still limits the program to 36,000 hectares. Nevertheless, the Premier proposed a remedy on the day the program was approved by laying down the following principle to the Cabinet Committee as guidance: "Those public land owned by state enterprises, except those which should be reserved (land use as corporation-operated farms, experiment and breeding farms, etc.) should be sold in accordance with the approved land program (of May 30, 1951)". Article 2 will be revised to include most public land owned by the Government prior to March 21. This step is to be taken when the Committee investigating the land needs of the corporations completes its findings.

The sales program of the 36,000 hectares was to be started in July, 1951. Taiwan Land Bureau will train 170 land workers to conduct the field work. The project consists of locating and surveying those land for sale, preparing land inventory book and land purchaser book, organizing land purchase committee, appraising land price, announcing the land for sale and accepting purchase application. From these 36,000 hectares, about 70,000 tenant purchasers will be benefited. Some of the purchasers will be tenants and some, part tenants who have already cultivated a limited acreage of their own.

In support of the program, JCRR approved an amount equivalent to US\$60,295 for training, supervision, and publicity expenses.

### C. Evaluation of Work

A brief review of the Land Reform work during 1950-1951 indicates that JCRR has succeeded in carrying out the first, and in developing the second, phase of the program. The rent reduction proves to have lightened the economic burden of the under-privileged tenantry although its benefit has been, to some extent, affected by the price disparity between farm and industrial products. The land classification work was a supplementary one. But, it has established the technical foundation of the tenancy reform and prevented land classification from developing into a disturbing problem. Its value, therefore, should not be underestimated. The land commission project only completed its planning work during this period. But it has made a good start with the enactment of the rent reduction legislation.

With these achievements in the first stage, the general pattern of the second phase of reform work was gradually developed during the latter part of this period. Unlike the first phase, in which the main issues were carried out first while the minor problems were left to be solved later, the procedure has to be reversed to meet not only the greater need of more thorough technical preparations but also the larger scale of the task. This reversed procedure has made a good start in land ownership classification program and public land program. But it might take longer time and more efforts before the main task of private land purchase is undertaken.

In conclusion, it may be added that the work results during the past 12 months seem to give a promising chance of success to the land reform program for the coming years, if there is no political or economical interference.

## Chapter III Sale of Public Lands to Tenant Farmers (July 1951 - June 1952)

The land reform work during fiscal years 1951 and 1952 consisted of a series of preliminary projects aimed at paving the way for redistributing farm land in Taiwan for the establishment of a family-sized farm system. Toward this goal, the program was carried out along four general lines of approach: 1) the continuation of rent reduction work to dampen landlords' interest in land possession and to keep down the price level of farm land, thus, creating favorable economic conditions for implementing the land-to-tiller project; 2) the sale of public land, by which the Government set an example for private landowners and demonstrated its determination to carry out the land reform; 3) the revamping of the old farm tenancy committees into new land commissions by reorganization to train the farmers in leadership and active participation in the reform work; 4) the classification of land ownership which be used as a basis for planning and executing the final step of land redistribution.

With the completion of these four major kinds of projects in fiscal year 1952, the stage is set for transferrring part of the vast acreage of private land holdings from landlords to tenant farmers.

### I. Land Rent Supervision

From the very beginning in 1949, rent supervision was instituted to safeguard the achievements of the 37.5 per cent rent reduction against irregular practices arising from conflicts of interest between the tenant farmer and his landlord. Although the rent reduction law bestowed upon the tenant farmers the right to pay reduced rental and to enjoy fixed tenure of lease, cases of evasions and even evictions were continually cropping up in alarming numbers. This trend, if allowed to go unchecked, would have frustrated the land reform.



At the early stage, the supervision work was carried out by the Government on a periodic basis. In March 1951, such sporadic supervision became ineffective in face of the increasing of rent disputes. A JCRR supported project was initiated to strengthen the supervision work. Despite this stepped-up measure, 16,349 disputes were uncovered during the four months ending in June, 1951. And this number continued to mount until it reached a cumulative total of 35,313 cases in sixteen months ending in June, 1952. Of this total, about one third was concerning evictions with the remaining two thirds representing other forms of conflict which involved 32,430 landlords and 34,852 tenant farmers, as shown in details in the following tabulation:

Nature of conflicts	No. of conflicts	No. of conflicts adjusted	No. of conflicts to be adjusted	No. of landlords involved	No. of tenants involved
Evictions	11,525	11,340	185	9,862	11,244
Rent payments	7,723	6,806	917	6,934	7,525
Lease contracts	10,840	10,388	452	10,611	10,832
Land classifications	2,439	2,415	24	2,379	2,256
Other conflicts	2,786	2,643	143	2,626	2,995
Total	35,313	33,592	1,721	32,430	34,852

A. Supervision under Administrative Actions

In the fiscal year 1951, rent supervision work was carried out on the strength of an executive order issued by Governor K. C. Wu. Based on a ten-point supervision directive, all rent disputes might be settled on the spot by the inspectors who were given full discretionary power to settle the disputes by mediation, arbitration, and even by force with help from the local police. These measures proved to be effective.

Besides, disputes occurred during the first year were localized and confined mostly to the Taiwan area where farmers practice a three-year rotation system of irrigation. In the entire irrigational district a longer term of six-year tenure of lease was fixed during the rent reduction project. Elsewhere, the term of leases ran for a shorter period and often covered only three years. Landlords in Tainan area claimed that this was discrimination against them. They were adroit in making a real issue out of it. This accounted for the first occurrences of tenant eviction in the Tainan region. The simple fact that a six-year rotation calls for planting a 16-month sugarcane crop, which would be commensurate with a three-year lease for general farming, was conveniently overlooked by these avaricious landlords.

In fact, the question was merely a red herring placed in the path of land reform.

B. Supervision after the Enactment of the Land Rent Reduction Law

After the rent reduction law was enacted in May, 1951, among other things, the tenure of lease was standardized to a uniform period of six years. This caused the originally local dispute to spread to the whole Province. Landlords everywhere rose to contest the law by following the example of those of the Tainan region.

Besides, there are loopholes in the rent reduction law. For instance, it does not prescribe how to deal with a landlord who did not conclude a new contract under rent reduction with his tenant. It has failed to foresee all the possible forms of rent evasion, despite the numerous kinds of punishment for certain types of evasions. As a result, landlords often succeeded in evicting their tenants under the pretext of self-cultivation, false transfer of

land, and fraudulent lease to a third party. These new form of evasions were obviously developed at a later stage. They constituted a real threat to the land reform and rendered enforcement of the rent reduction law impracticable.

Furthermore, the law deprived rent inspectors of the discretionary power to effect an on-the-spot settlement. All disputes had to be settled through the due process of law which requires that a dispute must be first mediated in the township land commission, which, if not settled, was to be taken up by the county land commission, before it could be brought into court for a decision. The legislative purpose is to prevent litigations which would impede early settlements of disputes. Nevertheless, the landlords, who are for the most part gentry, often succeeded in pushing their cases on to court by influence peddling.

As a result, the land rent supervision was bogged down with a mounting number of disputes which became more and more complicated in nature. Generally speaking, these conflicts may be classified under two major categories: 1) eviction of tenant farmers, and 2) rent conflicts which included disputes over rent payments or the terms and conditions of lease contracts. These features characterized the rent reduction situation during the fiscal year 1952.

#### 1. Eviction of Tenant Farmers

While the rent reduction law does protect the tenant against illegal eviction, however, termination of lease is permissible if the tenant dies without an heir, moves his place of residence to another district, or gives up farming as his profession. Because of these stipulations, the land rent reduction law does not give full protection to tenants, as it can neither prevent fraudulent practices nor stop eviction carried out under a false cloak.

The most prevalent forms of eviction were the termination of leases under duress or by cajolery: a) by giving compensation to the tenant either in the form of cash or a small parcel of the land; b) by concluding a false sub-lease of the land to a third party; c) by making a fraudulent transfer of the land to the tenant farmer; and d) by claiming that the land would be used for purposes other than farming.

No matter in what form eviction was executed, the underlying motive of the landlords was the same. They wanted to uphold their original interests either by retaining a higher rental or by operating the land with hired labor. If worse came to worst, and they had to part with land holdings, they wanted a higher sale price.

On the other hand, the tenant farmers who are just as docile as their mainland cousins, were afraid of losing the only means they possessed of eking out an existence. This made it doubly difficult to ferret out irregularities. Although 11,525 cases of evictions came to light, the land rent inspectors were hamstrung in their efforts to help the tenants in immediately regaining the right to cultivate the land. At best, they had to cool their heels in the courtrooms, while litigation dragged on for months.

In so doing, the landlords succeeded in disrupting the supervision work and caused delays and complications. Besides, the rent inspectors were often subject to attack by the local peoples' assemblies which are largely composed of the landed class. False charges were brought against the inspectors. In the assembly, attempts were made to cut down the supervision budget of the local governments.

#### 2. Dispute on Rentals

Unlike cases of eviction, rental disputes were mostly regional in nature—varied with land use, farming conditions and other economic factors. These may be summarized according to localities as follows:



a. Disputes Arising from Water Charges

In the southern region which includes the Kaohsiung and Pingtung areas, irrigation water is pumped from caission wells or comes from native artisan wells with bamboo casings. These wells are often drilled and operated by the landlords or by persons not connected with the land. In either case, the tenant must pay for the use of water. But the water charges were often much higher than the actual rental. Even when tenant farmers put up the whole expense of drilling a simple bamboo well, the landlords not only refused to share the prescribed rate of 500 kilograms of rice per hectare, but insisted upon cashing in on the unearned increment due to higher yield.

b. Disputes Arising from Change of Rotation Practices

In the Tainan irrigation region which included Chiayi and Yunlin Hsien most rental disputes were on the question of what the rent should be when the order of rotation was upset owing to lack of water sufficient to raise two rice crops every third year. In this case, either sugar cane or sweet potatoes would be planted which differ in returns and time of harvesting. While tenants naturally wanted to pay rent in kind with the crop actually planted, landlords were unyielding and insisted on clinging to the original stipulations in the lease contract.

c. Disputes Resulting from Changes in Land Use

In the central region, including Taichung, Changhua and Nantou Hsien rent disputes were relatively few. Only in certain areas where the rental on upland farms was to be paid in sweet potatoes, was there a general shift in acreage to banana plantations. Similarly, in the upper northern region including Hsinchu and Taoyuan Hsien, there is a general increase in citrus fruit orchards at the expense of tea plantations. In both cases, the landlords preferred rentals collected in kind - as fruits commanded better prices.

d. Disputes due to cash deposits and house rent

At the northern tip of the island, which includes Taipei, Keelung and Yilan Hsien two major disputes were prevalent, cash deposits and rent on farm houses.

(1) A cash deposit was customarily paid to the landlords by farm tenants at the time of lease as security for rent payment. This practice was repudiated in 1949 by the Provincial Government under the rent reduction project. These cash deposits had to be refunded to the tenants according to the prevailing market price of different crops in different localities. Under the pressure of the vested interest, however, the basis for refunding had been changed in 1950 from the local market prices to the average price of the whole Province. Naturally the tenants refused to accept the refunds until 1952, when the 1949 conversion rates were restored.

(2) Farm houses in the north were customarily provided by the landlords free of charge before the rent reduction. To compensate their losses in farm rental after reduction, the landlords wanted to charge rental on farm houses occupied by the tenants.

c. Rental Disputes Due to Changes in Land Grades

(1) On the east coast, disputes in Hualien and Taitung Hsien usually centered around the problem of land grades which are actually higher than their potential productivities. Prior to rent reduction, rentals were paid on the basis of actual yield. Rentals after reduction, which were put on the basis of land grades, came up to or became even higher than pre-reduction rentals.

(2) The collection of rentals in advance as a consideration for using the land on the east coast was a life-long custom. This practice became incongruous to the land rent reduction regulations.

Most of the above-mentioned rent disputes were comparatively simple and were easily settled through compromise by means of mediation or arbitration. But disputes over water charges, and the rentals on upland farms were more complicated. Their solutions had to be worked out gradually to the satisfaction of both parties concerned. For the time being, they do not constitute a major threat to the land reform program as whole.

### C. Accomplishments

Over 95 per cent of all types of disputes was settled by the end of June, 1952. The remaining 5 per cent is still pending settlement because of either law proceedings or time consumed in waiting for fair solutions to be worked out by the Government. Undoubtedly there were irregularities that failed to come to the surface, but the number apparently was negligible and of minor importance.

During the fiscal year, JCRR appropriated a sum equivalent to US\$101,500 in supporting supervision work. Besides monetary support, JCRR had given both technical and moral support which might be considered as even more important than its financial help.

In evaluating accomplishments, not only the acreage of tenanted land under the rent reduction project has been maintained at well over a quarter of a million hectares, but actually it has shown a slight increase when the sales of 12,400 hectares to 24,282 tenant farmers is considered. Incidentally, there is a noticeable drop by 20 to 40 per cent in land value which was usually about two and half times the annual production of the land from the main crops. These must be numbered as the key achievements through the united efforts made in rent supervision. It paved the way for carrying out the project of eventually selling farm land to the tillers.

## II. Sale of Public Land

The sale of public land in Taiwan demonstrated the determination of the Government to carry out the policy of enabling the tenant farmers to gain possession of the land they till. The earmarking of 35,000 ha. from governmental land holdings with additional acreage to be taken out from state-owned enterprises was already mentioned in Chapter II.

The situation of Taiwan's public land in 1946 may be recapitulated here according to the status of their method of utilization, as follows:

<u>Classification of ownership</u>	<u>Leased to tenant farmers (in ha.)</u>	<u>Under owners' operation (in ha.)</u>	<u>Total (in ha.)</u>
1. Government-owned farm land:			
a) National and Provincial	48,194		48,194
b) Counties	4,555		4,555
c) Townships	4,069		4,069
Sub-total	56,818 *		56,818

\* Out of the 56,818 hectares leased to tenant farmers for operation, 3,281 hectares were already sold to the tillers in 1948 by the local governments, leaving a salable acreage of only 53,537 hectares.



<u>Classification of ownership</u>	<u>Leased to tenant farmers (in ha.)</u>	<u>Under owners' operation (in ha.)</u>	<u>Total (in ha.)</u>
2. Farm land owned by state enterprises:			
a) Taiwan Sugar Corp:	41,484	57,812	99,257
b) 20 Other state enterprises	<u>5,438</u>	<u>14,476</u>	<u>19,914</u>
Sub-total	46,922	72,288	119,171
<u>Grand Total:</u>	<u>103,740</u>	<u>72,288</u>	<u>175,989</u>

#### A. Sale of Government Owned Land

Prior to the announcement of public land sales in December, 1951, a ten-day training session was conducted from July 5 to 14, 1951. The Provincial Land Bureau (PLB) called in 170 field workers from 22 local governments for a general briefing on the appraisal of land, the screening of qualified tenants and on other procedures concerning the sale project.

Then, a field investigation of the earmarked 35,000 hectares of public land and the farm-tenants involved was conducted in August, 1951. Altogether 176,216 parcels of land (414,615 hectares) with 83,683 tenant families were located and examined one by one. The process of screening was continued until the middle of November, 1951, and a large percentage of this earmarked land was found to be unsuitable for farming. Some of it was subject to floods or not actually farm land, such as beaches and public thoroughfares. And a number of tenants who sublet the farms to others, were not qualified as purchasers. Because of these two factors, the sale acreage was substantially reduced by 7,326 hectares.

Within a month after the sale of public land was announced in December, 1951, all the salable land was sold. A total of 59,529 tenant farmers bought 27,620 hectares of public land, averaging around 0.45 hectares for each purchase. Adding this newly acquired land to their original holdings the tenant farmers now have 0.92 hectares of land to support a family of 6.9 on the average. The gross value of 27,620 hectares of land was estimated at the equivalent to 109,030,000 kilograms of rice for paddy fields and 248,485,000 kilograms of sweet potatoes for upland farms. Based on the ten-year amortization plan, the farm purchasers are to make payments in 20 semi-annual installments, with the first payments due in the spring of 1952 after the winter harvests. Up to the middle of March, 1952, the Government received over 90 per cent in paddy rice and 95 per cent in cash for sweet potatoes. These sales proceeds will be used as funds for the purchase of private farm land under the forthcoming redistribution project.

#### B. Sale of Farm Land Owned by State Enterprises

As previously mentioned, the Taiwan Sugar Corporation which is by far the largest landowner in Taiwan, has 57,812 hectares of land under its own operation and another 41,484 hectares under lease to tenant farmers for the production of sugarcane. Other government owned corporations and agencies hold an aggregate total of another 20,000 hectares of farm land.

At the time when the sale of public land was first brought up for consideration, the question of ownership of corporations' land holdings precipitated a mild controversy. After prolonged discussion, the Central Government finally decreed the land to the corporations in March, 1951. The decision was made on the strength of guaranteeing the supply of raw materials to the corporations.

Upon the arrival of Mr. W. L. Ladejinsky in the following month, who was invited over by Premier Chen Cheng to advise on land reform program, the question was brought up again. Mr. Ladejinsky strongly advocated that, to demonstrate the government's determination in land reform and to help finance the transfer of private land, the corporations' land should also be sold. In accepting this recommendation, the Executive Yuan reversed its former decision and instructed the largest corporation, Taiwan Sugar Corporation, to turn over 48,500 hectares of its land to the Government for redistribution.

A special committee was appointed by the Premier to determine the maximum acreage of land that could be spared by the Sugar Corporation without affecting its production. Meanwhile, the Corporation proposed to give up only 27,974 hectares of land to the Government for redistribution. The special committee therefore sent out a field investigation team, composed of representatives from the Ministry of Interior, Ministry of Economic Affairs, and Taiwan Provincial Government. After inspecting the subsidiary farms of the twenty-nine sugar refineries, this field team recommended that, in addition to the original 27,974 hectares, another 2,330 hectares should be turned over by the Corporation. This recommendation, however, was not translated into action.

In the meantime, another training class was conducted by the Land Bureau to train 650 field personnel from the twenty two local governments. Altogether 211 field teams were formed and sent out to various localities where the designated acreages were located. Each team was composed of four persons representing the local public-land-sale committee, the village office, the local sugar factory, and the land office of the county government. These field teams were to: (1) inspect the productivity and legal status of the land in question and find out whether it could be sold or whether it was wanted by the tenant farmer concerned; and (2) screen the qualifications of tenant farmers as to whether or not they are entitled to buy the land.

At the end of May, 1952, the field inspection was completed, but only 17,323 hectares or 61 per cent of the land was found acceptable. Of the remaining 10,650 hectares, nearly 99 per cent (10,525 ha.) was rejected by the Land Bureau because of low productivity, another 125 hectares were pending further investigation. The Taiwan Power Company also turned over 10.67 hectares of land making a total acreage of 17,334 hectares available for sale.

The actual sale started on June 15, 1952, in fourteen localities with the registration of 29,814 qualified farmers. The 17,334 hectares of land under sale came in 61,028 small parcels which were surveyed and amalgamated into 59,117 lots. As of June 30, 1952, every lot was sold to tenant farmers, each took 0.58 hectare of land on the average. Except certain small farm-owner operators, most of the buyers were bona fide tenant farmers. The average of their farms now reaches 1.26 hectares.

### III. Reorganization of Land Commissions

The reasons and necessities for reorganizing the 348 farm tenancy committees which were created in 1949, were already given in Chapter II. They shall be known as land commissions with greater percentage of representation by tenant farmers. The responsibilities of these commissions had been envisaged: (1) to take over the task of rent supervision, (2) to train leadership at the village level, (3) to render assistance in carrying out the final phase of the reform program in land redistribution.

The status of these land commissions was legally established with the enactment of the Rent Reduction Law on May 25, 1951. A set of general working principles was also worked out as guidance for the reorganization.



A. Organization and Function

Land Commissions shall be established at both county and township levels. Each commission shall be composed of 11 members of which five are to be represented by tenant farmers, two each by landlords and owner-farmers, and the remaining two shall be represented by the land officer and township chief (in case of township commission) or the chairman of the farmers' association (in case of county commission). The latter two are ex-officio members, while the other nine members shall be elected by secret ballots from within each group with a three year tenure of office.

A township commission shall be empowered to assess the standard yields of the main crops; to investigate crop losses and recommend extra rent reduction or even exemption; and to mediate in rent disputes between tenants and landlords.

A county land commission shall supervise and make final decisions on recommendations from township commission which shall meet once every month. The county land commission, however, shall meet once every two months. The tenant farmers are getting a larger number of votes, but the other functions of the commissions remain largely the same.

B. Procedures of Election

The commission members representing landlords, owner-operators and tenant farmers shall be elected from within their own groups. The election consists of four steps: (1) election of village representatives, (2) election of township commission members from the village representatives, (3) election of township representatives from the township commission members, and (4) election of county or city commission members from the township representatives. The first step represents the primary election from which representatives or members in the next three elections are to be elected.

The status of voters and candidates in each group during the primary election was rigidly defined. To qualify as a tenant voter, one must be either a bona fide tenant farmer or, in case of a part tenant, the acreage of rented land must be larger than the land he owns. As a voter of the owner-operator group, one must be a real owner-operator, or in case of a part-owner, the acreage of land he owns and tills must be larger than that of the land he rents, or at least equal to it. As a voter to represent the landlords, one must have a portion of his land rented out to others for cultivation, or must be concurrently an ownerfarmer or a tenant farmer. Furthermore, all types of voters must have been previously registered under the rent reduction project.

The age requirement for qualification as a voter is twenty years of age, but one must be over 23 years to qualify for candidacy. The election shall be held in public buildings to be designated by the township and county government respectively. In the election of representatives and commission members, persons who win the largest number of votes shall be elected. In addition, a similar panel of five reserve members for tenant farmers, two for owner-operators, and two for landlords who receive the next largest numbers of votes, shall be elected together with the commission members. A reserve member shall succeed the commission member in case of the latter's resignation or death.

## C. Personnel Training and Primary Election Experiments

### 1. Lectures

A training class was inaugurated by the Land Bureau in January, 1952, in Taipei to give 348 township land clerks a three-week training with the assistance of the seventy rent reduction inspectors. Land clerks from each county were organized into smaller groups according to geographic distribution and the number of rent inspectors in the district. Three different kinds of curricula were adopted in conducting this training course: 1) lectures in subject courses including land policy, land reform statutes, and reorganization regulations, 2) seminars to discuss the problems and questions arising from time to time, 3) field experiments and demonstrations on the actual conducting of two primary elections to show the trainees proper procedures as how to run elections.

Theoretically, these land clerks who would be the *ex-officio* MEMBERS of the new land commission and who were helping inspectors in the land rent supervision work, are the best qualified persons to receive this type of training. They are not only to carry on the same kind of work in the near future, but they are also close to the grass root problems and know them thoroughly through past experience.

### 2. Seminars

The seminars were held in the evenings, led by the rent inspectors in the discussion of problems raised during the daily lectures. Usually such problems were discussed in the light of local conditions, which were found to be extremely helpful and beneficial to the trainees. Despite the fact that they were totally exhausted in the evenings, considerable amount of interest was shown in these seminars.

### 3. Field training

In carrying out the third phase of the training program, two primary elections were conducted in nearby townships of Shihlin and Peitou. These elections were conducted to give practical experience to the trainees, to test the practicability of the election procedures and to detect any possible flaw in the election regulations.

There are forty five villages with 4,249 votes (1,812 tenant farmers, 1,011 owner farmers, and 1,426 landlords). It called for the election of altogether 180 village representatives - 90 for tenant farmers, 45 for owner-farmers, and 45 for landlords.

The elections were held on February 2, 1952, only one day after the promulgation of the election regulations by the Provincial Government. Voters were not duly informed of the forthcoming election and the results were not as good as could have been otherwise. In undertaking this experiment, all of the 348 trainees as well as the staff of the training center were mobilized to carry out the work. In addition, the officers of the Land Bureau and the two township governments were also present to supervise the elections.

In the village elections, 91 per cent of the tenant-farmer voters from 45 villages turned out to elect their representatives. For the owner-farmers, the election was held in 43 villages with 90 per cent of the voters turning out to cast their votes. But there was only about 12 per cent of the landlords who had turned out for the elections in the 45 villages. After the elections were postponed twice, a bare majority of the landlord voters were persuaded to come to the elections. The election of the representatives of the landlords was eventually held.



#### D. Election

Benefited by the experiences gained from the experimental elections, a publicity campaign was launched prior to the Province-wide election which were officially conducted on March 1, 1952. In addition to the 100,000 copies of pictorial posters distributed to the rural areas by JCRR depicting the functions of the new land commission, the Provincial Land Bureau also sent out numerous posters and pamphlets explaining the functions and procedures of organizing a land commission. Broadcasts from radio stations and mobile units were arranged to round up the voters and urge them to come to the polls on the election day.

The local governments spent more than one month in compiling the final lists of the voters and candidates who were carefully screened as to their qualifications. Led by the seventy rent inspectors, 324 land clerks arranged the election schedules and made other necessary preparations. All told, 25,892 election workers were mobilized by the twenty two local governments.

After two and one half months, the whole election was completed throughout the Province in the middle of June, 1952. Altogether 577,617 voters came to the poll and cast their votes. Among the voters, there were 219,867 tenants farmers, 246,174 owner-farmers and 111,476 landlords. Out of the 6,459 villages in the whole Province, 5,655 had successfully carried out the primary election and 319 townships out of a total 372 had completed the elections on schedule.

#### E. Evaluation of the Re-organization of the Land Commission

During the Province-wide elections of representatives and members of the land commissions, the percentage of voters of all three categories came up to an unexpected or unprecedented uniformly high figure of 98 which surpassed all previous records in the election of mayors, magistrates and members of the peoples' assemblies. Besides, there were marked decreases in the number of disputes over the qualifications of candidates due to the unsurpassed amount of preparatory work done beforehand. On the whole, the elections may be considered as successfully carried out.

On the other hand, farmers were found generally to be reluctant to register themselves as candidates, especially those of good reputation. It was only after unremitting persuasion and cajolery that they finally showed up, registered themselves as candidates, and entered the election. Here lies the inherent weakness of the newly formed organizations - the indifference shown by these farmers. They do not seem to know or care for the important role which they are destined to play in the land commissions. So far as they are concerned, just as soon as the election is over they will have nothing more to do with the future operation of the land commissions.

The biggest problem which is now confronting the government, is how to make good use of this group of good farmers who are the cream of the farming population. From the point of fostering rural leadership, this step is necessary. For the sake of the future of the newly formed land commissions, it is vital. And to ensure the future and lasting success of the land reform program, which is the basic foundation of the present democratic government, it is a "must".

#### IV. Landownership Classification

The landownership classification work was initiated in Taiwan for the sole purpose of carrying out the land redistribution project. The old cadastral records, which were kept in book forms, are cumbersome, erroneous, incomplete and out of date. A card index system was first introduced in October, 1950, in the experimental projects in Pingtung and Kaohsiung Hsien.

When these two projects were satisfactorily completed in July, 1951, three more projects were immediately launched in Tainan, Taichung and Miaoli counties. By October, 1951, similar projects were extended to cover the remaining eleven counties, five municipalities, and one Special Administration District.

The total cost of indexing all the private landowners came up to the equivalent of US\$396,122. Of this sum, 82 per cent (US\$323,657) was subsidized by the JCRR, 5 per cent (US\$19,525) was appropriated by the Taiwan Provincial Government, and 13 per cent was shared among the 22 local governments.

#### A. Introduction of Card Index System

Prior to the adoption of the new card index system, records of all the land titles in the old cadastres had to be checked against the rent reduction records in which farm leases of all private land were registered. This step was found to be necessary to clarify possible errors in the relationship between ownership and tenancy. At the same time, the location, acreage, type and grade of each plot of land was checked. This task of checking and bringing all the records up to date was finally completed at the end of 1951.

##### 1. Preparation of Landownership Cards

After straightening out the land records, the most difficult part of the task was done. What had to follow was largely routine in nature as outlined in three steps:

- a. All pertinent facts concerning each plot of land were entered onto a card and given a serial number.
- b. The cards were then sorted out according to the names of landowners.
- c. Then, the information obtained was all transferred onto a single card for each landowner. The landownership card index was thus made.

##### 2. Analysis of the Landownership Cards

As of May 31, 1952, these two sets of landownership cards and acreage statistics were analysed and compiled through sorting. This work was first carried out on township basis, then on county and finally at the Provincial level. It was a gigantic task which involved the handsorting of 4,039,685 land record cards (4,016,063 plots of land) and 1,046,892 land ownership cards (830,000 landowners).

More than 170 basic statistical tables were compiled and only three are summarized below here to show the relationship between land holdings and farm tenantry:

	Public and Private Land Holdings				
	Total Acreage		Cultivated Land		
	In hectares	In No. of lots	Total acreage	Paddy field	Dryland (in ha.)
1. Public land holdings	371,728	688,006	168,534	71,486	97,047
2. Private land holdings	924,513	3,284,106	660,651	441,803	218,848
<u>Total:</u>	<u>1,296,241</u>	<u>3,972,112</u>	<u>829,185</u>	<u>513,289</u>	<u>315,895</u>



Acreeage Cultivated by Owners and Tenants

	<u>Total acreeage (in ha.)</u>	<u>Under single- ownership (in ha.)</u>	<u>Under joint ownership (in ha.)</u>	<u>Under corporate ownership (in ha.)</u>	<u>Under government trustship (in ha.)</u>
Operated by owners	412,350	178,912	217,993	15,446	
Operated by tenants	248,301	115,262	115,486	16,680	871
<u>Total:</u>	<u>660,651</u>	<u>294,174</u>	<u>333,481</u>	<u>32,126</u>	<u>871</u>

Number of Owner-farmers and Tenants with Acreeage Totals

	<u>Total No.</u>	<u>Total acreeage</u>	<u>Mode of farm sizes</u>	<u>Percentage of mode</u>
<u>Owner farmers</u>	<u>469,018</u>	<u>412,350</u> *	Below 0.5 ha.	55%
a. Single owners	238,526		Below 0.5 ha.	55%
b. Joint owners	222,702		Below 0.5 ha.	53%
c. Corporate owners	7,790		Below 0.5 ha.	76%
<u>Landlords</u>	<u>64,129</u>			
a. Single owners	29,704		Below 0.5 ha.	37%
b. Joint owners	30,145		Below 0.5 ha.	31%
c. Corporate owners	4,153		Below 0.5 ha.	53%
d. Others	127			
<u>Part-owners and landlords</u>	<u>78,046</u>			
a. Single owners	26,125		From 0.5 - 1 ha.	19%
b. Joint owners	48,370		From 0.5 - 1 ha.	18%
c. Corporate owners	3,551		Below 0.5 ha.	19%
<u>Tenant farmers</u>	<u>298,142</u>	248,301		

\* Including the acreeage operated by part-owners.

B. Difficulties Encountered

Since these projects were aimed at discovering all of the pertinent data concerning ownership as well as the legal status of land holdings, classification could not be considered as complete, until the relationships between land-owners and land-users were all straightened out. The outstanding difficulties were:

### 1. Absentee Ownership

Over 10,000 landowners (or about 20 per cent) whose residences were either unknown or inconsistent with the cadastral records, had to be located in order to check the title deeds of the farms they own and their status of ownership determined. This type of investigation was undertaken jointly by the land and population officers from county, township and village governments. It presented endless amount of trouble which was involved in completing the investigations.

### 2. Obscurity of Ownership

In the case of joint ownership, it is a common practice in the Province to have their land registered under the name of one of the owners who serves as a representative to the government. The other co-owners usually reserve the right to lease out their own portion of the land to tenants. Also, there were cases in which the landowner had retired from active life while the leasor turned out to be a younger member of the family.

Under either condition, the real ownership was, at its best, obscure and ambiguous. About 300,000 contracts had to be carefully investigated to ascertain the actual relationship between the owners and leasors.

### 3. Determination of Boundaries

As a section of a land map invariably looks like a jigsaw puzzle, to find out the exact boundaries of each piece of land constituted a real problem. The matter was often further complicated by the fact that there are often dozens of tenant farmers on the land. Since their leases merely give the acreage, but not the boundary lines, which had to be surveyed and clearly defined to establish the bases of preemption for these tenant farmers.

Working against the time schedule, about half of the 830,000 tracts of land under the 37.5 per cent farm leases was surveyed and replotted.

## V. Land Redistribution Project

The project of limiting land holdings by expropriation first through government purchase and then resale to tenant farmers is conceived not only as the goal of the land reform program on this island, but also as an example for an over-all social and economic adjustment on the mainland after its recovery.

The reduction of rentals on tenanted farms and sales of government-owned land have kept down the price of all farm land and changed the general outlook on landownership as a lucrative investment. These marked gains were maintained by supervision and consolidated with the reorganization of the land commissions. A further step was taken to ascertain the acreage of salable land through the classification of landowners and farm tenants.

In the fiscal year 1952, two major problems remained to be solved. The first was to outline the working principles with a full plan of financing. The second was to establish the legal foundation for the land redistribution project by coercive legislation, which had to be deliberated upon and approved by the Provincial Government before it could be submitted to the executive and the legislative branches of the Central Government for enactment. The following pages give a brief account of the developments on the Provincial level.



#### A. The General Approach

An outright abolition of farm tenancy would be a utopia, if there was a marked concentration of private land under a small number of landowners. But this is not the case in Taiwan, where the larger land holdings constitute a mere fraction of the total tenanted acreage. To limit the size of only larger land holdings alone would not solve the farm tenancy problem.

The acreages of all private farmland under lease, therefore, should also be made available for redistribution. These small land-owners, especially the resident landlords, however, should be allowed to retain a certain acreage.

Land holdings under joint ownership by private individuals should be liquidated first to eliminate the confusion in title deeds, inefficiency in land utilization, difficulty in land-tax collection, and the disputes among the co-owners themselves.

Guided by the above mentioned principles, the drafting of the land reform law and the formulating of the land purchase plan were simultaneously undertaken in April, 1952, by the Provincial Land Bureau with the participation of JCRR land specialists. On May 25, 1952, these two drafts were formally submitted by the Land Bureau to the Provincial Government for consideration.

It was at this stage that the land transfer project entered into the realm of official discussion by the Provincial Government. A special meeting convened by Governor K. C. Wu, on June 3, 1952, in which representatives of related agencies of both National and Provincial Governments were invited. After lengthy discussion, two subcommittees were appointed to study these drafts before they would be acted upon by the Provincial Government. The Governor further proposed to submit these drafts to the Taiwan Provincial People's Assembly for deliberation since the interest of the local people was involved.

Toward the close of fiscal year 1952, these drafts were still being studied by the two subcommittees. Despite the possibility of minor revisions in these drafts before they are enacted, the salient points which will probably remain intact, are given below.

#### B. The Major Principles

1. It was proposed in the drafts that all tenanted farmland shall be purchased by the Government and shall be resold to tenant farmers. If the landowner is a resident landlord, however, he is allowed to retain one hectare of paddy fields or two hectares of dryland. Exceptions and exemptions are:

- a. Land farmed by owners.
- b. Land lying within the area under the planning of city development.
- c. Newly reclaimed land on which crop harvests are not reliable.
- d. Land for agricultural research, extension, education and charity purposes.

2. The drafts call for the purchase of about 208,400 hectares out of a total of 248,300 ha. of tenanted land in the Province. The remaining 40,000 hectares of private tenanted land are to be either exempted from purchase or retained by the resident landlords. The breakdown of the available land is shown as follows:

<u>Land Ownership</u>	<u>Acreage in Hectares</u>	<u>Percentage</u>
Single Ownership:		
a. Excessive land holdings	20,453	9.8
b. Absentee landlords' holdings	54,931	26.4
Joint Ownership	115,487	55.4
Corporate Ownership	16,680	8.0
Other Types of Ownership	870	0.4
<u>Total:</u>	<u>208,421</u>	<u>100.0%</u>

3. The validity of landownership is based upon the household registration on or before April 1, 1952. Changes in ownership after this date are not recognized, unless such changes resulted from inheritance either through death or because of senility of the family head. In the later case, to make the inheritance valid an heir to the property has to be of legal age.

4. Since there are practically no large land holdings on this island, farming with hired labor shall also be regarded as one form of farm tenancy and shall be subject to government purchase.

5. To distinguish a resident landlord from an absentee owner, the domicile of a resident landlord as registered on or before April 1, 1952, shall be used as a basis. It should be registered in the same township where his property is located. Otherwise, he should be considered as an absentee landlord and his land redistributed, unless he is in military service or in a state of physical disability and depending upon the land for living.

6. The purchase price of the tenanted land is fixed at 250 per cent of the annual yield of the main crops raised on the land. The total purchase price is estimated at more than two billion New Taiwan Dollars (US\$200 million).

7. The government purchase price will be paid partly in commodity bonds (rice or sweet potatoes) and partly in stocks and shares of public enterprises. The land bonds are to be issued by the government and shall be redeemable in twenty semi-annual installments. The exact ratio between bonds and stocks to be paid to each landlord shall depend upon the size of his landholdings.

8. Tenant-farmer purchasers shall pay the purchase price to the government on the same terms as the landlords are paid. But they shall not mortgage or transfer the ownership of the land after they have gained full title to the property.

9. The landlords shall be paid three fourths of the total purchase price in land bonds and one fourth in stocks or shares of the following state enterprises:

- a. The Taiwan Agriculture and Forestry Development Corporation.
- b. The Taiwan Industrial and Mining Corporation.
- c. The Taiwan Fertilizer Company.
- d. Taiwan Paper and Pulp Corporation.
- e. The Taiwan Cement Corporation.

This plan of financing was designed to avoid inflation through the curtailment of issuing large quantities of banknotes. Besides, by diverting the flow of capital from land to industry, the present land redistribution project is tied-in with the program of industrial development.



Chapter IV Planning, Legislation and Implementation of  
the Land-to-the-Tiller Program  
(July 1952 - June 1953)

One of the major programs the JCRR has assisted in undertaking in Taiwan during fiscal year 1953 is the Land-to-the-Tiller Program. This program, once carried out, would directly affect the life of nearly one-third of the total farming population of the island and indirectly might also change its economic and social outlook. With the conviction that a greater measure of social justice must accrue to the tillers of the land which they do not own, the JCRR has actively supported the program. This chapter not only give a chronological account of the government's land reform activities during the fiscal year, but it also describes the active role the JCRR has played in providing constant technical advice and about one-half of the administrative costs involved in the implementation.

The Land-to-the-Tiller program in Taiwan is a land reform measure, under which the Provincial Government is authorized to purchase all excessive private holdings from landlords and re-sell them to tenant farmers. This program was drafted and submitted by the Taiwan Provincial Land Bureau to the Taiwan Provincial Government on May 25, 1952. On August 8, 1952, the Provincial Government approved the program and transmitted it to the Executive Yuan which revised the draft and sent it in the form of a bill on November 28 to the Legislative Yuan for enactment. After 53 days of deliberation in both its regular and extra sessions, the Legislative Yuan finally enacted the bill into law on January 20, 1953 under the title of "The Land-to-the-Tiller Act". Enacted together with the bill were two auxiliary laws on land bonds and the transfer of government enterprises. On January 26, 1953, the law was promulgated and on February 1, the Taiwan Provincial Government put the program into operation. Four months later, a larger part of the program work was successfully carried out by a staff of 33,000 field workers in the 22 hsien and cities in the province. On June 1, 162,519 hectares of private excessive tenant holdings were announced by the 22 local governments as available for transfer from 120,000 landlords to more than 200,000 tenant families in the province at a total purchase price in kind of 1,450,000,000 kilograms of rice and the cash worth of 670,000,000 kilograms of sweet potatoes. These events marked the major accomplishments made in the field of land reform in Taiwan during fiscal year 1953.

1. Legislation of the Program

The process through which the land-to-the-tiller program was enacted represents a series of political struggles inherent to a social reform of this type. The entire legislative process was marked with strong opposition from conservative forces and great pressure from liberal elements, difference in opinion between government administration and legislature, and heated debates among the policy makers and economic experts. It took numerous sessions and hearings in the Administration and the Legislature to have the text of the bill changed three times before it finally came out as a law after seven months of debating and deliberations.

A. The Provincial Government's Program

The first draft of the program submitted by the Provincial Land Bureau to the Taiwan Provincial Government on May 25, 1952, consisted of five chapters and 28 articles. The principal features of this draft included the following:

- (1) All private tenant holdings shall be purchased by the Government with two exceptions: (a) Resident landowner may retain two hectares of paddy or four hectares of dryland and (b) Land required for agricultural experimentation and research, land owned by educational, religious and charitable institutions, and land within city development areas may be exempt from purchase.

2. All private tenant holdings under joint ownership and owned by absentee landowners shall be purchased by the Government with no allowance for retention to the owners.

3. The household as registered in the government land title records on the first of April, 1952, shall be adopted as the basis for conducting land purchase. New households split up from the old ones after that date shall not be recognized.

4. The land price shall be 250 per cent of the total main crops raised on the farm as pre-determined by its productivity grade. Both purchase and resale prices shall be paid in 20 semi-annual installments to the landlord and Government respectively within 10 years, bearing four per cent of interest per annum.

5. The farm purchaser shall pay the buying price in rice and cash to the Government and the Government shall, in turn, pay to the landlords in rice, cash and industrial stocks issued by five government corporations.

6. Farmer purchaser shall acquire, after payment of the first semi-annual installment of the buying price, the ownership of the farm he purchased. But he shall not, without government approval, transfer or mortgage the property thus acquired.

According to the above-mentioned plan, the program would be carried out with the following estimated requirements and results:

1. Eighty-three per cent of the total or 215,000 out of 256,000 hectares of private tenant holdings on the island would be made available for transfer under the program by the Provincial Government.

2. These 215,000 hectares would require a purchase fund of NT\$1,800,000,000 estimated at NT\$0.80 per kilogram of paddy rice and NT\$0.16 per kilogram of sweet potatoes prevailing at that time.

3. The Government shall raise the purchase fund by issuing rice and sweet potato bonds equivalent to NT\$1,200,000,000 worth of rice and sweet potatoes, NT\$550,000,000 of industrial stocks from five government corporations and NT\$50,000,000 of cash.

Acting accordingly, the Taiwan Provincial Government called, on June 3, 1952, a special conference represented by members of the Provincial and Central Governments, Provincial Land Bureau, the JCRR and other related agencies to discuss the program. Two sub-committees were set up as a result of the meeting to study respectively the provision of the program and the problem of financing it. From June 10 to July 17, a series of 9 meetings was held by each of the two sub-committees to put the draft into a more practicable form. Some changes in the draft were made and a set of auxiliary regulations on the issuing of land bonds was drafted during these meetings. In the 21st Session of the Provincial Government Conference on July 18, the Provincial Government approved the draft with amendments recommended by the two sub-committees. The amended draft consisted of five chapters and 33 articles. The main points were:

1. The retention rate for resident landowner shall be 1 hectare from 1st-8th grade, 2 hectares from 9th-18th grade and 3 hectares from 19th-26th grade for paddy field. For dryland of the same grade the retention rate shall be doubled.

2. The Government shall pay the purchase price to landlords 75 per cent in land bonds and 25 per cent in industrial stocks.



3. Tenant purchaser shall be required to pay land transfer fee. Failure to pay the purchase price shall be subject to fines. The installment payment of the purchase price to be paid by farmer may be reduced in amount or exempted from payment or the payment may be postponed in case of crop failures.

After approving the program, the Provincial Government discreetly transmitted the approved draft to the Provincial People's Assembly for recommendation. The Assembly, dominated by landlords, tried to block the program. President Chiang Kai-shek immediately called on July 24 the 371st session of the Central Reform Committee of Kuomintang. The Committee resolved: (1) the Land-to-the-Tiller program must be inaugurated in January 1953 and (2) all party members in both executive and legislative branches of the Government must comply with the party's determination in this undertaking. As a result of the resolution, the program was formally submitted to the Executive Yuan in August 1952, by the Provincial Government. The Provincial Assembly capitulated upon a four-point recommendation to the Government as follows:

1. All private tenant lands transferred after April 1, 1952 by landowners to their adult family members as gifts should be exempted from government purchase:

2. The retention scale for resident landowners should be raised to four hectares for paddy and to 8 hectares for dryland, and the landowner should be given the first choice of determining which land should be retained by them:

3. The scale of purchase price should be raised to 300 per cent of the main crop yield on the land:

4. The ratio of compensating the landlords in cash, bonds and stocks should be changed to 10 per cent in cash, 50 per cent in bonds and 40 per cent in stocks and the interest rate of land bond should be raised to 6 per cent per annum with 4 per cent to be borne by the tenant purchaser and 2 per cent by the Government.

One noticeable thing was that the provision of depriving the joint owners of their privilege of retention was not even mentioned in the recommendation. Apparently, the Assembly had accepted the provision.

#### B. The Amendments made by the Executive Yuan

According to the legislative procedures, the Assembly's concurrence was not required in the legislation of the program. Nevertheless the Assembly's recommendation precipitated a series of political repercussions from the landlords. When the Central Government began to review the draft, both the landlords and conservative elements made attempts to relax on these provisions. The Cabinet referred the draft to the Ministries of Interior, Finance, Economic Affairs and Justice for study and recommendation. The ministries held a number of meetings between themselves and with land experts outside of the government to discuss the contents of the draft. As a result, it was decided to revise the program by (1) raising the retention rate to 3 hectares of paddy field, (2) giving retention right to all landowners, regardless of absentee or resident status, (3) doubling the retention rate for all private religious institutions, (4) exempting from purchase those lands transferred after April 1, 1952, by landowners to their adult family members as gifts. These amendments would have reduced the total purchase acreage to only 60,000 hectares. On October 17, Dr. Chiang Monlin, Chairman of the JCRR, presented to the Premier a three-point recommendation as follows:

1. All land transfers made after April 1, 1952, barring five special classes of exceptions provided in the draft, should be subject to purchase by the Government.

2. A resident landlord, if he is concurrently an owner-cultivator and a tenant farmer, and if the acreage under his own cultivation exceeds the retention rate, should not be allowed to retain any land in his tenanted portion.

3. Landowner who tills his land entirely or largely by hired labor shall be considered as a landlord and his land, except the portion under his own cultivation should be subject to purchase by the Government.

These recommendations were intended to restrict the type and acreage of lands to be retained by landlords in order that more lands may be available for purchase by tenant farmers.

On November 12, after three months of debate, the Cabinet passed the program together with the other two sets of auxiliary regulations on the issuing of land bonds and industrial stocks of government enterprises. Two weeks later, the program was introduced in the form of a bill to the Legislative Yuan for legislation. The main points of the Cabinet's amendments were:

1. Retention rate was raised to three hectares of paddy field of medium grade. Landowners entitled to the retention right shall include absentee landowners. Religious institutions shall have a retention acreage twice that of ordinary landowners.

2. Land transferred as gift between the adult members of the family after April 1, 1952, shall be subject to purchase by the Government.

3. When a landlord is concurrently an owner-farmer, the acreage tilled by himself shall be taken, together with the acreage leased out, as the basis for calculating the retention and purchase acreages. If the acreage tilled by his own hands exceeds the three hectares, he shall not be allowed to retain any part of his land on lease to his tenants.

4. The payment ratio between bonds and industrial stocks shall be on a 50-50 basis.

5. Tenant farmers shall have the priority to purchase, with government loans, those lands retained by their landlords one year after the enforcement of the law.

These amendments aimed to ~~remove~~ remove the infeasible points in the Provincial Government's draft and incorporate recommendations made by various quarters. They were intended to benefit both landlords and tenants and to facilitate the implementation of the program. These amendments were made with a view to: (1) enlarging the retention rate by both raising the retention acreage to three hectares of paddy and extending the right of retention to absentee landowners; (2) limiting the retention acreage for a class of persons with status between pure landlord and pure owner-cultivator, (3) giving more stocks to the landlords in the payment of purchase price, and (4) promising those tenant farmers who would, under the revised retention rate, be deprived of the right of purchase and of future government assistance in purchasing those lands retained by landlords. However, it should be noted that during the whole process of debate, no question was raised as to whether the owners of jointly owned land should also be allowed to retain three hectares of land after the government purchase. It was the understanding of both the Assembly and the Cabinet that the right of retention was not granted to the joint owners.

These amendments, if put into effect, would affect the program in the following way. Land available for purchase would be reduced from 215,000 to 179,000 hectares, a reduction of 36,000 hectares from the original goal set in the Provincial Government's draft. On the other hand, land to be retained by landlords would be increased from 41,000 to 77,000 hectares. As a result, the implementation of the program would be expedited.



### C. The Debate in the Legislative Yuan

On December 9, the bill came up for discussion in the General Assembly of the Legislative Yuan. The first two sessions were largely hearings. Administration officials including the Premier were invited to appear and to explain the bill. After that, the General Assembly appointed on December 12, 1952, four committees on Interior Affairs, Economic Affairs, Finance and Judiciary to study the bill together with 110 petitions submitted by landlords, farmer groups and other civic bodies concerned with the program.

From December 18, 1952 to January 8, 1953, these four committees held 12 meetings successively. In these meetings, debates were not confined to rationation of the program, but also on the Administration's policy and the Legislature's stand. Certain Legislators raised the problem of government purchase of jointly owned land. They reasoned that since the private land of joint ownership constitutes 46 per cent of the total private tenant land in the Province, why these joint owners were not allowed the same right of retention as granted upon individual landowners. Their contention was that the provision constituted a serious discrimination and they demanded for deletion of the clause. On January 10, 1953, the four committees set up a 25-man special committee to study the bill for revision.

The objection from the legislature came as a surprise. Since joint owners in the Province could easily divide up their lands into small holdings of single ownership with each getting well below the 3 hectares, acceptance of the demand would reduce the total acreage available for purchase to a great extent and make the whole program a fiasco. The Administration, therefore, refused to go along. An emergency meeting of the supreme Kuomintang Party was called by President Chiang on January 13 to discuss the matter. Three guiding principles were worked out at the meeting:

- (1) A highly restrictive right of retention was to be granted to joint owners.
- (2) Land transferred after April 1, 1952 as gift among the family members was not to be exempted from purchase.
- (3) Tenant purchasers should be exempted from paying land transfer fee.

On the basis of these principles, the 25-man screening committee worked out a preliminary revised bill on January 14 and submitted it to the General Session of the four committees for screening. In two successive conferences held on January 16 and 17, the four committees worked out the final amended text of the bill and submitted it to the General Assembly. After three readings on January 19 and 20, 1953, the General Assembly of the Legislature approved and enacted the bill into a law under the title of "Land-to-the-Tiller Act". On January 26, 1953, the Act was signed by President Chiang Kai-shek and became effective immediately.

This newly enacted law consists of 5 chapters and 36 articles. Among other provisions, the final settlement on the long-debated issues was as follows:

- a. All private tenanted land including both individually and jointly owned shall be purchased by the Government.
- b. All landowners who hold individual ownership of the land concerned shall be allowed to retain 3 hectares of medium grade of paddy field or their equivalent.

c. Joint landowners may enjoy the same retention right as ordinary landowners provided they are physically or mentally disabled and dependent upon the land for subsistence, or those who became joint landlords by act of succession and are blood brothers and sisters or husbands and wives.

d. All land transfers made previous to April 1, 1952, among the adult family members as gifts shall be considered as the only basis of calculating the purchase and retention acreages for that household.

e. Land purchase price shall be paid 70 percent in bonds and 30 per cent in industrial stocks.

f. Tenant purchasers shall be exempted from paying land transfer fee to the Government when they purchase the land and their burden of annual payment during the ten-year amortization period shall not exceed the rental they used to pay as tenants.

In this over-all plan, there is, in fact, only one important change made in the "Land-to-the-tiller Act", i.e. the granting of conditional right of retention to joint owners. However, since the joint-ownership land comes up to two-thirds of the total private tenanted land which is subject to purchase, an unconditional grant of the retention right to all joint landowners would necessarily result in drastic reduction of the purchase acreage which was estimated under the Administration's proposal at only 170,000 hectares.

Passed together with the Land-to-the-Tiller Act were two sets of auxiliary regulations governing the issue of land bonds and industrial stocks. Their important features are as follows:

a. The land bonds: The Regulations Governing the Issuing of Land Bonds in Kind in Taiwan, enacted by the Legislature, consists of 18 articles. The Regulations provide the following:

(1) The bonds to cover 70 per cent of the purchase price under the reform program shall be issued in two kinds, rice bonds and sweet potato bonds with a total issue of 1,260,000,000 kilograms of rice and 440,000,000 kilograms of sweet potatoes.

(2) The bonds, issued in 6 denominations at 50, 100, 500, 1,000, 5,000 and 10,000 kilograms for rice bonds and at 100, 500, 1,000, 5,000, 10,000, and 30,000 kilograms for sweet potato bonds, shall be in the form of bearer bonds, shall bear interest in kind at 4 per cent per annum and shall be redeemable by the Government in 20 equal semi-annual installments in 10 years.

(3) The rice bonds shall be paid in kind and sweet potato bonds shall be paid in cash by converting sweet potatoes into cash at the current market price on maturity of the bonds. The current price shall be decided on the basis of average wholesale quotations in important rice-producing hsiang and chen in each locality.

A ten-day average, calculated carefully by each hsien or city, shall be taken from the first ten days of the twenty day period prior to the date on which the tenant purchasers are scheduled to make each semi-annual installment payment.

(4) The bonds are transferable in the open market and they may be used either as guaranty for public obligations or for payment of the corresponding installment of the purchase price of the land located in the same hsien or city in which the bonds have been issued.



b. The industrial stocks: The law on industrial stocks was enacted under the title of "The Regulations Governing the Transfer of Government Enterprises To Private Ownership". The purpose of the law is to set down certain general principles for transferring government enterprises to private ownership under the Land-to-the-Tiller program. Nevertheless, it contains no explicit proviso which indicates its connection with the land program and it does not mention whether or not those enterprises shall be transferred or sold. There is one provision, however, which states that each enterprise, before it is transferred, must be re-assessed of its capital value on the basis of the following three standards: (1) original capital value, (2) current capital value and (3) possible profit returns in the future. The Regulations restrict the status of purchasers of the stocks to Chinese citizens or citizens of a foreign country with which China has concluded agreements for private investments. It was also specified that the sales proceeds of the government enterprise shall be used only for production and reconstruction purposes. On the other hand, many important matters such as which government enterprises shall be sold and how the stocks shall be issued, managed and regulated were all left out in the Regulations. It seems that another set of rules is necessary to specify these matters clearly.

Despite the passage of these laws, loopholes in legalities still exist and have to be plugged by supplementary regulations in greater details. These details are necessary in the actual implementation of the program as how to determine the land to be retained, how to calculate the acreage to be purchased, how to determine the land to be retained, how to calculate the acreage to be purchased, how to determine what land shall be exempted from purchase, and above all, what were the procedures through which the field work of land transfer should be carried out. All these complicated points were subsequently clarified and defined in a more detailed set of supplementary regulations called "Regulations Governing the Implementation of the Land-to-the-Tiller Act". These supplementary rules were approved and put into effect by the Provincial Government on April 23, 1953, three months after the passage of the Land-to-the-Tiller Act.

## II. Implementation of the Program

The Central Government's determination in carrying out this program has been demonstrated on more than one occasion. The undertaking of the land-ownership classification program was one. The legislation of the Land-to-the-Tiller Act was another. But law alone was not enough for putting the reform into operation. The most important development, as previously stated, was the resolution passed by the Kuomintang on July 24, 1952 to wipe out all political oppositions and set the program in motion.

The execution of the program was assigned to three government agencies: (1) The Land Bureau of the Taiwan Provincial Government to conduct all land transfers including training, investigation, computation and purchase and resale of land, (2) The Land Bank of Taiwan to issue land bonds to the landlords, to collect land purchase price from the tenant purchasers, and to pay the landlords, and (3) The Ministry of Economic Affairs and the five government corporations to assess the capital value of these corporations and to issue industrial stocks to the landlords. Of these three types of work, transfer of land was the most tedious, complicated and laborious. And it was also this part of the work that has taxed the best brains of the Government which mobilized a large number of workers for carrying out the program.

In executing the land transfer, the land Bureau worked out the following principles:

1. All preliminary steps of conducting the land transfer must be completed before the first crop harvest in the Province, i.e. before the end of May, 1953, in order to enable the tenant purchasers to pay their first semi-annual installment of the land purchase price from the crop harvested.

2. Since the preparatory steps consist of a careful review of all land data with field investigations, the following types of work must be completed before May, 1953:

a. The official land registry should be straightened out first since many farms tilled by tenants or hired laborers were registered in the government record as owner-operated lands.

b. The retention acreage should be discreetly determined as land ownership is in many types and the retention acreage varies with each type of ownership:

c. Changes in land use have occurred but have not been registered with the Government;

d. Immovable properties on the land shall be purchased and resold together with the land and these properties must be assessed before transfer, and

e. All land transfers made after the deadline on April 1, 1952, must be checked to expedite the calculation of purchase and retention increases before the land transfers were put into effect.

3. Since the program was a farmers' program, farmers in the 341 hsien and chen land commissions and in 6,537 hamlets in the Province should be encouraged to help the Government in every phase of the program.

4. Since hsiang and chen are basic administrative units in Taiwan, they are the closest links with the peasantry, and therefore should be used as the basis of operations.

Based upon the above mentioned principles, the Land Bureau divided its program into five major parts:

a. Training of personnel.

b. Reviewing land data with field investigation of tenant lands, owner farmers, tenants and farm laborers.

c. Making computations, screening, and final announcement of land subject to transfer.

d. Conducting the transfer of tenanted lands through purchase and resale.

e. Making adjustment of land titles.

The first three phases were scheduled to be completed before May, 1953 and the next two were to begin in June and to be completed by the end of 1953.

#### A. Program Machinery

The land transfer work was executed by the Land Bureau principally through 6,537 hamlet offices, 333 hsiang and chen offices, 59 land registration offices, 22 hsien and city governments, and 341 land commissions at both hsien, hsiang and chen levels. From these local government and farmers' organizations about 33,000 workers including senior and junior, part-time and full-time, executives and supervisors, government and civilian workers were mobilized and engaged in the operation. The breakdown was as follows:



Machinery	No. of personnel	Status
6,537 hamlet offices	26,148	(6,537 hamlet chiefs or clerks and 19,611 hamlet representatives of tenants, owner-cultivators and landlords)
341 hsien and hsiang/chen land commissions	3,032	(2,834 hsiang/chen land commission members and 198 hsien land commission members)
333 hsiang/chen offices	2,400	(320 Senior and 2,080 junior field workers)
59 land registration offices	1,200	(700 land registration personnel and 500 land surveyors)
22 hsien and city land divisions	250	(Including administrative, supervisory and technical personnel)
1 provincial land bureau	80	(Including administrative, supervisory and technical personnel)
33,110		

To the program workers mentioned above, a series of training courses, ranging from 2 to 20 days, was given from February 1, to March 15, 1953, in the Provincial capital and 22 local governments according to the nature of activities of each group. The first group was composed of 2,000 full-time workers selected from the 22 land divisions and 333 hsiang and chen offices in the local governments. They received 10 to 20 days of technical training and were assigned to handle the bulk of the investigation and computation work. The second group consisted of 2,834 members of hsiang and chen land commissions and 198 members of hsien land commission members. They received two to three days of training prior to taking up the work of screening land transfers. The third group, consisting of 999 hsiang and chen chiefs and clerks, and the last group, consisting of 32,685 hamlet chiefs and clerks and hamlet representatives of tenant-farmers, owner-farmers and landlords, received two to five days of training in basic laws and regulations. They were to assist the field workers in locating the land, and in helping the investigation parties to identify the land and other field matters.

In addition to these four groups, there are 100 judicial personnel from 14 courts of First Instance in 22 localities who are scheduled to receive a 7-day training in the fall of 1953. These judicial personnel will be assigned the duty of adjudicating land disputes.

The six types of government units and farmers' organizations were assigned different kinds of duties. The hsiang and chen offices were responsible for carrying on the field investigations, and conducting land purchase and resale; the 59 land registration offices were detailed to review the land data, to analyze the field investigation forms, to compute the acreages for transfer, and to straighten out the records of land titles. The 6,537 village offices were assigned to assist the field investigation work; the 22 land divisions in the local governments were to direct the whole program within their jurisdiction, and the Provincial Land Bureau was to supervise the overall program operations. The function of the land commissions was rather unique because they were entrusted with the responsibility of screening all the land transfers in their respective hsiang and chen, and hsien and cities. They were authorized to approve or disapprove the transfers, revise the acreage to be transferred and retained, select the purchasers, and make recommendations.

## B. Program Execution

Numerous steps were involved in the methods and procedures of executing the program. The following were the most important, complicated, and tedious ones:

1. Reviewing and Checking of Land Ownership Data: This step involved examining land transfers made between April 2, 1952, and April 30, 1953: checking the total acreage of each landowner who might own land in other parts of the Province; compiling of field investigation record-sheets of all tenanted land, owner-cultivated land, and landlord's status; and grouping the total acreage tilled by each tenant.
2. Field Investigation of Land Use Conditions: This step involved an extensive field check of farm boundaries, land grades, categories and productivity; farm operation by owners, tenants or hired men; the economic conditions of operators; and, the kind and value of immovable property on the land.
3. Surveying and Delineation of Tenant Lands: This step included the surveying of acreage under tenant and owner's cultivation, and the delineation of farm boundaries tilled by several tenants under the name of one lessee.
4. Computation, Screening and Announcement of the Land under Transfer: This included the computation of the purchase, retention, exemption acreages and of the purchase price on land and its immovable fixtures; examination and compilation of separate lists for tenant purchasers and landlords allowed the right of retention and exemption. While the local land commissions carefully screened these lists, the final announcements were made by the hsiang and chen offices for public inspection.
5. Operation of Land Transfers Through Purchase and Resale: This involved the issuing of purchase and resale notifications respectively to the landlords and tenant purchasers of the land to be transferred; and the collection of land title deeds from landlords and the re-issuance of new ownership certificates to farmer purchasers.
6. Adjustment of Land Title Records: This work involved the cancellation and revision of 396,002 lease contracts and the revision of landownership classification cards, the land registers and the land tax books.

All the work mentioned above was started on February 1, 1953 with the training of field personnel. The review of land data was conducted in 59 land registration offices where all land title records including millions of landownership cards were brought together for a thorough check with regard to 233,316 cases of ownership transfers after April 1, 1952, against the land registration books.

It was then followed by the compilation of a total of 4,610,000 pieces of field investigation record-sheets into which all particulars on 680,000 hectares of private cultivated land, 610,000 landowner-families and 300,000 tenant farmers in the Province were entered in accordance with the original records contained in the 5,000,000 pieces of land and ownership classification cards. This was completed on March 15.

Along with this work, surveying and delineation of 157,000 plots of tenant land were also started by the field surveying teams organized jointly by the Provincial Land Bureau and 22 local governments. This surveying work was carried on laboriously on tablelands, along beaches, on the mountains slopes and up to the forest areas. It was completed in three and half months from February 1, to April 15, 1953.



On March 16, 1953, a province-wide field investigation was launched to check the conditions of tenancy and cultivation and physical changes of the land against the actual field conditions on 2,020,000 plots. In addition, the investigators also accepted on the spot purchase applications from tenant farmers. This work was carried out by about 1,800 small field teams, each composed of one field worker and one hamlet chief or clerk with the assistance of local representative of tenants, owner-farmers and landlords. Each team was assigned to investigate the land cultivated by tenant farmers and owner-farmers within an average area of one to two land sections, ranging from 200 to 300 hectares of cultivated land.

During the second half of April, 1953, these investigation record-sheets were brought back to the 59 land registration offices for computation of the size of land holdings of each landowner, the total acreage under cultivation by each tenant farmer, the purchase and retention acreages, the resale and exemption acreages, the purchase price for each plot of land and immovable properties to be transferred with the land. After all these figures were worked out, a complete list for effecting the transfer was compiled. The purchase lists were then sent to the 341 land commissions through the hsiang and chen offices for further screening. Each commission was then called to meet and screen these land transfer lists according to the legal provisions and local conditions.

The 341 land commissions spent two to five days in the latter part of April in reviewing the lists and making their decisions. On April 30, the screening work was completed. On May 1, a total of 162,500 hectares of the private tenanted land to be transferred was approved by the local governments.

The individual lists were then announced on May 1, when they were posted in front of the 333 township offices where the land is situated. These notices were posted for one full month for inspection by the landowners and tenant farmers involved. On May 31, 1953, the lists became final and the land listed therein was ready for transfer scheduled to begin on June 1, 1953. Landlords were notified to surrender their old title deeds to the hsiang and chen offices in exchange for receipts which were presented later at the local land banks for payment of the first installment of the purchase price. In some areas, land workers were sent to the field to collect the old title deeds from the landlords. And tenant farmers were notified to make their purchase by paying the first installment of the purchase price to the local land banks and to receive the new land title deeds from the local land registration offices by presenting the receipts of payment. Those old title deeds which were not surrendered by the landlords were declared as null and void by the local governments. At the end of June, 1953, the surrender and the cancellation of the old title deeds were completed.

### C. Inspection and Coordination

The above-mentioned work covered an area of 35,961 square kilometers on the island and called for the service of 2,000 technical workers and 31,000 temporary workers in-and out-of-doors. These workers visited each tract of land and its tenant personally and consulted the government files on land, ownership and household. They were completed within four months from February to May, 1953, without disrupting the working schedule. This achievement was mainly attributed to a system of close supervision and coordination.

For controlling the field work, the Land Bureau established a three-level inspection and coordination system, as follows:

Supervision Personnel	Area and Land Workers under Supervision	
	Area	Land Workers
315 hsiang and chen senior workers	6,537 hamlets 333 hsiang and chen	6,537 hamlet chiefs and 6,537 hamlet clerks 333 hsiang and chen chiefs, 333 hsiang and chen clerks, 1,800 field workers
23 local inspectors	319 hsiang and chen, 22 hsien and cities	Members of 319 hsiang and chen land commissions and land workers in 22 hsien and city governments
6 regional inspectors each covering 3 to 4 hsien and cities	6 regions created during the program operation.	

The supervision was at first established on hsien and regional levels. During the review of land data, direct supervision over the reviewing work in 59 land registration offices was largely done by the land division of the 22 local governments. Each of the 23 local inspectors assisted the division in making circuit inspections over three to five land registration offices in each hsien or city. Regional inspectors made similar circuit inspections after the results from these local inspectors were received and reviewed. Technical problems were largely solved by regional inspectors while administrative problems were transmitted to the land divisions in the local governments for decision and action. The 59 land registration offices submitted report from time to time to the land divisions and local inspectors. Therefore, while technical inspection largely fell on the regional inspectors, the administrative work between land registration offices and land divisions was largely coordinated through the local inspectors.

This supervision system was more elaborate at hsiang and chen level during the period of field investigation. At this stage, 1,800 field workers, assisted locally by 26,000 farmer representatives, were organized into 1,800 field teams to conduct the investigation under the direction of 315 hsiang and chen senior workers. To each hsiang or chen two to ten teams were assigned according the size of the district. These teams worked in the day and reviewed the field work in the evening. Their members reported the work progress and problems at a meeting called every three days by the senior worker of the hsiang and chen teams. These senior workers, in turn, made a written report every six days on the work progress and problems to the hsien government and the local inspector from the Provincial Land Bureau. Once a week, the hsien government called all the hsiang and chen chiefs and senior workers in the hsien to a meeting held in the hsien government or land registration office to review the work progress and discuss the problems. At such weekly meetings, the land division chief of the hsien government and the inspector sent by the Provincial Land Bureau were also present to advise on technical and administrative matters. In a few localities, however, this procedure was slightly revised to suit the local conditions.

In addition to the supervision system, coordination conferences were also held regularly on the higher levels. During the five months of operation, a meeting was called every 7 to 10 days in one of the 6 regions by rotation by the Provincial Land Bureau officers and attended by JCRR land personnel. At such meetings, all regional inspectors were present to report on their field work and problems of each region. Final decisions on major questions were made at the meeting and transmitted to lower levels for action. After the meetings, the provincial officers made field inspections occasionally to study and improve the program work.



By the end of fiscal year 1953, about 70 per cent of the project work was completed by the Provincial Land Bureau and the 22 local governments in the Province. The 162,516 hectares of tenanted land earmarked for transfer in the announced list were distributed as follows:

Locality	Land Acreage Earmarked for Transfer (In Hectare)			No. of land-owner families from whom land was to be purchased
	Total	Paddy field	Dryland	
Taipei Hsien	14,078.5080	12,787.4205	1,290.6375	10,792
Yilan Hsien	8,341.1494	7,456.4964	884.6530	5,823
Taoyuan Hsien	27,284.9712	25,061.6219	2,223.3493	11,213
Hsinchu Hsien	15,257.8868	10,675.7963	4,582.0905	7,892
Miaoli Hsien	9,714.5956	7,495.4293	2,219.1663	8,154
Taichung Hsien	12,948.9293	12,206.7090	742.2203	11,486
Changhua Hsien	10,877.5801	9,640.6989	1,236.8812	14,268
Nantou Hsien	3,601.8849	3,059.1816	542.7033	3,795
Yunlin Hsien	10,894.4889	9,233.9565	1,660.5324	7,383
Chiayi Hsien	9,919.8332	8,566.1361	1,353.6971	8,410
Tainan Hsien	13,358.1585	9,988.7003	3,369.4582	11,776
Kaohsiung Hsien	5,881.2568	4,419.2995	1,461.9573	5,184
Pingtung Hsien	11,367.6525	9,231.9417	2,135.7108	8,588
Hualien Hsien	1,354.0080	970.3244	383.6836	677
Taitung Hsien	1,195.1033	703.2034	491.8999	404
Penghu Hsien	328.6747	-	328.6747	1,455
Keelung City	213,0379	200.2819	12.7560	220
Taipei City	248,9549	242.8860	6.0689	210
Taichung City	3,101.1638	2,793.1247	308.0391	2,815
Tainan City	289.6766	107.4200	182.2566	356
Kaohsiung City	1,085.5026	1,014.1615	71.3411	809
Yangminshan Adm.	1,173.7891	1,061.5788	112.2103	1,414
Total	162,516.3561	136,916.3687	25,599.9874	123,124

The announced acreage for transfer totalling 162,516 hectares constitutes 63 per cent of the total privately owned tenant land in Taiwan. These lands are to be purchased from 123,124 landlord families and resold to about 200,000 tenant families in the Province. The actual number of landlord families would be greatly reduced if their land holdings were regrouped by names instead of by locality because on many occasions several landowner families given on the list are actually the same landowner family in different localities.

The purchase price for the 162,519 hectares of tenant land was calculated by the Land Bureau at the equivalent of 1,477,098,439 kilograms of rice and 663,868,581 kilograms of sweet potatoes.

In administering the program, three kinds of expenditures would be needed: a) expenses for operating land transfers; b) expenses for floating land bonds; and c) expenses for issuing industrial stocks of the five government corporations. For the administrative expenses alone, it would require an amount equivalent to NT\$20,000,000. The JCRR, under nine independent projects implemented during the period from February to May, 1953, appropriated subsidies totalling NT\$10,010,427 as grant-in-aid for the administrative expenses. These subsidies covered almost every major work under the program, such as training of personnel, land investigation, land transfer, publicity, and project supervision. In addition to this fiscal aid, the JCRR also rendered technical assistance to the Chinese Government in carrying out this epoch-making social reform on the island.

### III. Financing of the Program

The land bonds and the industrial stocks are the two important instruments through which the Chinese Government raises the necessary funds to pay the land purchase price under the Land-to-the-Tiller Program. The industrial stock represents a policy of diverting the private capital investments in land to industrial channels as an aid to the industrialization of the island. Up to June 30, 1953, the work progress in these two fields was as follows:

#### A. Issuance of Land Bonds

The Land Bank started out with the preparation of bond issue on the basis of the estimate made in the Cabinet's draft. According to that estimate, 179,000 hectares of private tenant lands including 155,000 hectares of paddy fields and 24,000 hectares of drylands, would be available for government purchase. Since 70 per cent of the purchase price should be paid in commodity bonds, it would be necessary to issue a total of 1,260,000 metric tons of rice bonds and 440,000 metric tons of sweet potatoes bonds. However, it was announced in June that the acreage total had been revised to 162,516 hectares, indicating that less fund would be required for the purchase. A re-evaluation was immediately made by the Land Bureau. It was estimated that to pay for 136,916 hectares of paddy fields and 25,599 hectares of drylands, 1,033,969 metric tons of rice in bonds and 443,708 metric tons of sweet potatoes in bonds would be required. Compared with the original estimate, the rice bonds needed would be 226,031 metric tons less while the sweet potato bonds 3,708 metric tons more. The Bank is now preparing to issue bonds according to the actual requirement.

Originally, the issuance of the bonds to the landlords was to be made upon the surrender of their old little deeds to the Government. However, when the land transfer operation started in June in the 22 localities, it was found that the date of issuance had to be postponed because the bonds were not ready for issuance until August 1.

In addition to making preparations for issuing the land bonds, the Bank was also working on a schedule for the collection of the first semi-annual installment of the purchase price from farmer purchasers according to the crop season in different localities. The payment schedule was set in June, 1953, as follows:

Area	Date for starting collection of land purchase price from the farmer purchasers
Kaohsiung Hsien Kaohsiung City Pingtung Hsien	June 26, 1953
Tainan Hsien and City Chiayi Hsien, Ynnlin Hsien Changhua Hsien, Nantou Hsien Taichung Hsien and City Taitung Hsien	July 11, 1953
Miaoli Hsien, Hsinchu Hsien	July 16, 1953
Taoyuan Hsien, Yilan Hsien Taipei Hsien and City Keelung City, Yangminshan Adm. Hualien Hsien	July 21, 1953
Penghu Hsien	September 11, 1953 (once a year)



To coordinate the different periods of collection, the Bank also set down the date for the payment of the principal and interest of each semi-installment of the land bonds to the bondholders in September of the current year and February of the following year. The Bank has 20 branches in the 22 hsien and cities in the Province. These branches will be authorized to handle the transactions.

B. The Sale of Government Enterprises

Among the industrial enterprises in Taiwan many are operated by the Government. Out of these enterprises, the Government selected five major ones for sale in order to provide fund for the payment of the 30 per cent of total land purchase price stipulated in the Land-to-the-Tiller Program. These five enterprises are:

- (1) The Agriculture and Forestry Development Corporation.
- (2) The Industrial and Mining Corporation.
- (3) The Fertilizer Manufacturing Company.
- (4) The Paper and Pulp Corporation.
- (5) The Cement Corporation.

The first step in selling these enterprises was to assess their current capital value. The original capital value of the five corporations assessed in 1949 were as follows:

Enterprise	Original capital value in TW\$	No. of stocks	Value of each stock in NT\$	Ownership of Stockshares (By %)			
				National government	Provincial government	Private individual	Private corporate bodies
Agriculture and Forestry	\$20,000,000	2,000,000	\$10	-	95.91	3.45	0.64
Industrial and Mining	\$35,000,000	2,500,000	\$14	-	73.64	14.06	12.30
Fertilizers	\$16,000,000	160,000	\$10	57.64	37.07	1.36	3.93
Paper and Pulp	\$36,000,000	600,000	\$60	44.34	29.03	1.18	25.45
Cement	\$25,000,000	500,000	\$50	52.01	33.78	0.90	13.31

The capital values of these corporations needed reassessment after the old Taiwan currency was changed into the New Taiwan dollars in 1949. In its 265th Session on October 29, 1952, the Executive Yuan set up an Assessment Committee to do the work. The Committee was composed of 15 members, one from the ministers without portfolio in the Cabinet; one each from Ministries of Economic Affairs, Finance, and Interior; one each from the Board of Auditing, Taiwan Provincial Production Board, and Taiwan Accountants Association; and five members from the Provincial Peoples' Assembly, with the Minister

of Economic Affairs as Chairman of the Committee. The Committee was set up on November 8, 1952. The following three-way formula was adopted in making the assessment:

(1) Assessment on Price Index Basis - the assessment is made on the basis of the capital value as shown in the corporation's accounts and adjusted according to the price index.

(2) Assessment on Current-Cost Basis - the assessment is made on the basis of estimated current cost of establishing the corporation, with deduction made from the total to allow for the depreciation.

(3) Assessment on Profit-Return Basis - the assessment is made on the basis of past profit returns of the corporation capitalized at an interest rate of five per cent per annum.

The Committee started to function in January, 1953. It was divided into five sub-committees. Each sub-committee assisted by one member from the Provisional Provincial Assembly, was assigned to work on one corporation. The five sub-committees separately inspected and investigated those corporations and their subsidiary plants. In May, 1953, the assessments were completed. Based upon the results, the Ministry of Economic Affairs ordered the five corporations to call general meetings of stockholders to revise the corporations' capital values according to the assessment reports and to issue new stocks at an uniform face value of \$10 per share. The five corporations called their stockholders' meetings in the latter part of June. In these meetings, the capital values of the five corporations were revised as follows:

Corporation	Original capital value in TW\$	Revised Capital value in NT\$	No. of stocks	Face value per stock
Agriculture and Forestry	\$20,000,000	\$180,000,000	18,000,000	\$10
Industrial and Mining	\$35,000,000	\$250,000,000	25,000,000	\$10
Fertilizers	\$16,000,000	\$184,000,000	18,400,000	\$10
Paper & Pulp	\$36,000,000	\$300,000,000	30,000,000	\$10
Cement	\$25,000,000	\$270,000,000	27,000,000	\$10
Total	TW\$132,000,000	NT\$1,184,000,000	118,000,000	

Of the revised total capital value of NT\$1,184,000,000 of the five corporations, NT\$786,000,000 or 30 per cent of the total fund for land purchase will be required to be paid in stocks. The total land purchase price was NT\$2,621,270,445 equivalent to the value of 1,477,098,439 kilograms of rice (enough for the purchase of 136,916 hectares of paddy field) plus 663,868,581 kilograms of sweet potatoes (enough for the purchase of 25,599 hectares of drylands). The dollar value of the rice and sweet potatoes was fixed according to the price index of December, 1952. This same price index was also adopted in reassessing the capital value of the five government corporations.

Since the Regulations Governing the Transfer of Government Enterprises did not state specifically what government enterprises were to be sold under the Land-to-the-Tiller Program, the sale of these five corporations should therefore be first approved by the Provincial Peoples' Assembly (for the two provincially-owned corporations) and the National Legislature (for the three nationally owned corporations). The sale of the three nationally-owned corporations was approved by the Legislative Yuan on June 25, 1953, in a secret session held jointly by three committees on Budget, Finance and Economic Affairs. It was resolved at the session that the Paper and Pulp



Corporation and the Cement Corporation should be sold first together with the two provincially-owned corporations. The Fertilizer Corporation should not be put on sale unless the proceeds from the sale of these four corporations fell short of the 30 per cent of the total land purchase funds. The resolution further provides that the Government should continue to assist these corporations in developing their business after they are transferred to private ownership. The sale of the provincially-owned corporation was still under discussion in the Provincial Peoples' Assembly at the close of fiscal year 1953.

As indicated in the report on the rural survey conducted by Dr. Arthur Raper, the people generally have a favorable impression of the land reform program. The 37.5 per cent rent limitation program was mentioned everywhere as of benefit to tenant farmers; of the 857 heads of farm households interviewed, 76 per cent said they thought the 37.5 per cent rent limitation program had been generally beneficial to their village. The main benefits reported were increase of livestock production, increased agricultural production, and improvement in dwellings and in the general status of farm tenants.

In general, the "Land-to-the-Tiller" Program was also favorably looked upon by local leaders. Some of the larger landowners pointed out that as individuals they would be worse off economically. When the 857 farmers were asked "Do you think the average tenant farmer would be better off or worse off if he owned his own farm?", 86 per cent said "better off" and an additional 7 per cent said "about the same". Only 1 per cent said "worse off."

The land reform programs are considered by the local people one of the most hopeful developments on the island since its restoration to China.

#### Chapter V. Implementation of the Land-to-the-Tiller Program Continued (July 1953 - June 1954)

The major JCRR land reform efforts during fiscal 1954 included continuation of the Land-to-the-Tiller Program; the initiation of a farm ownership control program; the introduction of land reform on Kinmen Island, and the construction of 22 land cadastral archives for safekeeping of a part of all the land records on the island.

##### 1. The Land-to-the-Tiller Program

The Land-to-the-Tiller Program entered the second stage of its implementation at the beginning of fiscal 1954. In May, 1953, the Provincial Government declared an area of 162,000 hectares of excess private tenanted lands available for purchase and resale. In June, the government started to buy the lands from the landlords and resell them to the tenant farmers. During that month, landlords required to sell their lands were notified to surrender the title deeds of the lands to the local land offices, receive from the government a compensation in land bonds and stocks of government enterprises, and redeem the first installment of land bonds. On the other hands, tenant farmers qualified for the purchase were served notice to buy these lands by paying the first installment of the resale price to the government from the first crop harvest of the year and to receive new title deeds on the land purchases.

On February 27, 1954, the government announced certain amendments on the implementation regulations. These amendments authorized the government to give additional compensation to a group of landlords who are old, widowed, orphaned, disabled or infirm. This work which marked the last stage of the field work of the program was completed in June 1954.

The following are the major achievements of the program up to June 30, 1954.

A. Farm Lands Purchased and Resold

Under the program, the government purchased a total of 143,000 hectares of excessive tenanted lands from 106,000 private landlords and resold it to 200,000 tenant farmers in the province. Each farmer acquired an average land of 0.7 hectare. The breakdown of these figures is shown below:

Tenanted Land Transferred and Number of Tenant Families Benefited under the Land-to-the-Tiller Program

Locality	Area of Land Transferred (Hectare)			No. of tenant purchasers	No. of landlords who sold lands
	Total	Paddy field	Dry land		
Taipei Hsien	12,615.3536	11,606.4868	1,008.8668	14,084	9,193
Yilan Hsien	7,654.3210	6,884.3144	770.0066	9,171	5,365
Taoyuan Hsien	23,419.3775	21,685.9492	1,733.4283	16,883	9,527
Hsinchu Hsien	13,846.9826	9,792.4160	4,054.5666	13,626	7,779
Miaoli Hsien	8,783.2545	6,788.9283	1,994.3262	10,912	6,609
Taichung Hsien	11,498.5420	10,912.9000	585.6420	16,871	12,266
Changhua Hsien	9,515.3382	8,487.4153	1,027.9229	20,233	10,717
Nantou Hsien	3,437.9832	2,898.0991	539.8841	6,128	3,237
Yunlin Hsien	9,287.2994	7,857.2080	1,430.0914	14,269	5,662
Chiayi Hsien	8,210.3537	6,992.7167	1,217.6370	13,036	6,935
Tainan Hsien	11,507.9862	8,633.3947	2,874.5915	18,724	8,340
Kaohsiung Hsien	5,403.3848	4,041.5826	1,361.8022	10,449	4,024
Pingtung Hsien	9,850.7016	8,159.4173	1,691.2843	16,362	5,517
Taitung Hsien	1,153.6455	629.2328	524.4127	1,464	327
Hualien Hsien	1,349.4924	968.5296	380.9628	1,659	642
Penghu Hsien	249.6415	-	249.6415	1,830	925
Taipei City	216.0607	211.1362	4.9245	333	2,577
Keelung City	207.0977	192.8876	14.2101	262	398
Taichung City	2,571.3593	2,450.4638	120.8955	4,037	2,979
Tainan City	434.4922	162.5665	271.9257	856	1,084
Kaohsiung City	1,004.2608	939.1807	65.0801	1,724	1,111
Yangminshan	1,350.8399	1,240.4559	110.3840	1,910	825
<b>Total</b>	<b>143,567.7683</b>	<b>121,535.2815</b>	<b>22,032.4868</b>	<b>194,823</b>	<b>106,049</b>

The 143,000 hectares of lands purchased and resold represent 55 per cent of the total private tenanted area; the 195,000 tenant farmers who purchased these lands represent 65 per cent of the total tenant population on private land; and the 106,000 landlords who sold out these lands represent 17 per cent of the total land owning population on Taiwan.

Of the 143,000 hectares of tenanted lands resold to 195,000 tenant farmers, the amount of land acquired by each tenant purchaser varies among 12 categories as follows:



Area of Land Acquired by 195,000 Tenant Purchasers  
under the Land-to-the-Tiller Program

Class	Area of farm lands acquired (Hectare)	%	Number of teant purchasers (family)	%
Below 0.5 hectare	23,829.4564	16.60	91,980	47.21
0.5-1.0 hectare	40,590.1665	28.27	57,166	29.34
1.0-1.5 hectares	28,990.2679	20.19	23,938	12.29
1.5-2.0 hectares	18,386.4191	12.81	10,727	5.51
2.0-3.0 hectares	18,303.5545	12.75	7,721	3.96
3.0-4.0 hectares	6,968.2038	4.85	2,059	1.06
4.0-5.0 hectares	2,986.6721	2.08	676	0.35
5.0-7.0 hectares	2,373.1123	1.65	429	0.22
7.0-10 hectares	770.3632	0.54	97	0.05
10.0-15 hectares	301.6939	0.21	26	0.01
15.0-20 hectares	45.7858	0.03	3	-
20 hectares or over	22.0728	0.02	1	-
Total	143,567.7683(ha.)	100%	194,823 families	100%

Of the 195,000 tenant purchasers, some are full tenants and some part-tenants who also till their own lands. There are two types of tenants; those who till lands leased from private landlords and those who till lands leased from the government. The farm size operated by these 195,000 tenant purchasers, including all lands they are now cultivating after the implemenation of this program, falls into the following categories:

Farm Size *	Farm Area in hectare	%	Number of farm families	%
Below 0.5 hectare	17,212.5415	8.35	60,442	31.02
0.5-1.0 hectare	40,817.8126	19.81	56,695	29.10
1.0-1.5 hectares	42,255.1164	20.51	34,136	17.52
1.5-2.0 hectares	33,444.4934	16.23	19,324	9.92
2.0-3.0 hectares	39,312.0471	19.08	16,261	8.35
3.0-4.0 hectares	16,645.4369	8.08	4,916	2.52
4.0-5.0 hectares	7,562.9524	3.67	1,724	0.89
5.0-7.0 hectares	5,618.9366	2.73	989	0.51
7.0-10.0 hectares	2,047.8867	0.99	251	0.13
10.0-15.0 hectares	840.0159	0.41	71	0.04
15.0-20.0 hectares	119.6864	0.06	7	-
20 hectares or over	161.1773	0.08	7	-
Total	206,038.1032 (ha.)	100%	194,823 families	100%

\* Farms in this table include: (1) land acquired under the Land-to-the-Tiller Program, (2) Land leased from landlords, (3) land leased from the government, and (4) land owned by the farmers themselves.

B. Payment of Purchase and Resale Prices

1. Payment of Purchase Price

The 143,000 hectares of private paddy field and dry land were purchased at a total value equivalent to 1,272,855 metric tons of rice and 434,709 metric tons of sweet potatoes. The total value was obtained by multiplying the annual average of the main crop yield of these lands by 2.5. Of the total value, 889,123 tons of rice and 315,476 tons of sweet potatoes, or 70 per cent of the total, should be paid in commodity bonds and 383,732 tons of rice and 119,233 tons of sweet potatoes, or 30 per cent of the total, should be paid in stocks of government enterprises. On August 1, 1953, when the transfer of title on the 143,000 hectares of paddy field and dry land from landlords to tenant farmers was completed, the government began to pay the purchase price to the landlords through the 21 branches of the Land Bank of Taiwan. According to the report of the Land Bank of Taiwan, up to June 30, 1954, 11 months after the first day of issuance, 91 per cent of the total price for the purchase of rice field and 87 per cent of the total price for the purchase of dry land in both bonds and stocks have been issued to the landlords as follows:

Total Value of the Land Purchased	Total Bonds & Stocks to be Issued	Value of Bonds & Stocks Issued	Percentage Issued
Total Value of Paddy Field	1,272,855 M/T (rice)	1,166,663 M/T (rice)	91.7
a. In Bonds	839,123	814,557	91.6
b. In Stocks	383,732	352,106	91.8
Total Value of Dry Land	434,709 M/T (Sweet potato)	381,932 M/T (Sweet potato)	87.9
a. In Bonds	315,476	276,591	87.5
b. In Stocks	119,233	105,341	88.4

According to law, the 889,123 metric tons of rice bonds and 315,476 metric tons of sweet potato bonds should be redeemed by the government in 20 semi-annual installments in 10 years beginning from September 1953, when the first crop of that year is harvested. Accordingly, the first two installments of the bonds maturing on September 1, 1953 and February 1, 1954 respectively, have been redeemed by the government according to schedule. Up to June 30, 1954, the amount and percentage redeemed are as follows:

Kinds of Bonds	Amount to be redeemed	Amount Redeemed	Percentage Redeemed
Rice Bonds	106,695 M/T (Rice)	91,301 M/T (Rice)	86%
Sweet Potato Bonds	37,857 M/T (Sweet potato)	31,678 M/T (Sweet potato)	84%

For the payment of the remaining 30 per cent of the total land purchase price, the government first proposed to use the stocks of five state enterprises. The total acreage of lands actually purchased by the government under the program, however, after deducting the area exempt from purchase, was found to be smaller than the estimate. Hence, the National and Provincial Governments reached a joint resolution on October 14, 1953 to sell four corporations instead of five. These four corporations are: (1) The Agriculture and Forestry Development



Corporation, 2) The Industrial and Mining Corporation, 3) The Paper and Pulp Corporation, and 4) the Cement Manufacturing Corporation. The capital value of these four corporations was assessed at NT\$970,000,000 which was enough to cover the 30 per cent of the total land purchase price. In accordance with the resolution and other decisions, these four corporations were sold by the government in the following manner;

(1) The Paper and Pulp Corporation and the Cement Manufacturing Corporation were sold in one single operation and the Agriculture and Forestry Development Corporation and the Industrial and Mining Corporation were sold by units.

(2) The stocks of the four corporations paid each landlord as 30% of its land purchase price were apportioned according to the following percentages:

a. Agriculture and Forestry Stocks	13%
b. Industrial and Mining Stocks	17%
c. Paper and Pulp Stocks	33%
d. Cement Stocks	37%

(3) To turn over the four corporations to full private ownership, any amount of stocks which may remain in the hands of the government after the 30 per cent of the land purchase price has been paid off, was to be paid to the group of landlords who are old, widowed, orphaned, infirm, or disabled as additional compensation to the lands purchased from them. After that, any amount of stocks still remaining in the hands of the government will all be sold.

The capital values of, and the stocks sold by, the four government corporation are shown in the following table:

Corporations	Total capital value NT\$	Government share NT\$	Amount of stocks to be sold to landlords by each corp.* amount in NT\$
Total	970,000,000	790,024,170	659,774,640
Agri. & Forestry Corp.	150,000,000	138,821,590	86,359,540
Indust. & Mining Corp.	250,000,000	184,088,300	112,517,340
Paper & Pulp Corp.	300,000,000	219,966,000	217,250,150
Cement Manuf. Corp.	270,000,000	247,148,280	243,647,610

\* An amount of NT\$517,780 was paid in cash to landlords for fractions of those stocks less than one share (\$10).

## 2. Payment of Resale Price

The resale price of the 143,000 hectares of paddy field and dry land, including interest payable in kind, amounts to 1,528,700 metric tons of rice and 522,365 metric tons of sweet potatoes. These two amounts are to be amortized in 20 semi-annual installments in 10 years beginning from July 1953. The first two installments which were due in July and December 1953 respectively had been paid in by the farmer purchasers from the two crop harvest of that year. The collection of these payments were conducted jointly by the Land Bank, Land Bureau, and Food Bureau of the Provincial Government. For these two installments, the amounts paid in by farmer purchasers were as follows:

No. of installment payments	Amount Due	Amount Paid In	%	Amount defaulted (%)
First installment				
Rice (in M/T)	66,669	66,229	99.3%	0.7%
Cash (in NT\$)	NT\$23,652,549	NT\$23,500,134	99.4%	0.6%
Second installment				
Rice (in M/T)	67,727	65,687	97.0%	3.0%
Cash (in NT\$)	NT\$13,104,349	NT\$12,740,855	97.2%	2.8%

Following the payment of resale price by farmers, the government begins to redeem the bonds to landlords. When a particular installment of rice bonds falls due, landlords may present the bonds to the local warehouses for redemption and the warehouses redeem the principal and interest of the matured bonds accordingly. Rice bonds are redeemed in rice and sweet potato bonds in cash according to the current market price of sweet potato. However, landlords' claim for rice in redemption of rice bonds is valid for six months only. After the expiration of this period, landlords can claim only cash equivalent of the amount of rice to be redeemed. This provision is to release the government from holding the rice in storage indefinitely. In fact, even with this restrictive provision, landlords still prefer cash and often withheld the matured bonds from redemption until the expiration of the six-month period. As a result, the government has faced a problem of warehouse shortage which, after each crop harvest, is estimated to reach 100,000 tons of warehousing capacity.

### C. Tenancy Conditions Before and After the Reform

The land-to-the-tiller program has changed the farm tenancy conditions in Taiwan to a great extent. In June 1952, there was on the island a total of 630,000 hectares of private cultivated lands of which 260,000 hectares, or 38 per cent of the total, were cultivated by tenants. The land-to-the-tiller program transferred a total of 159,000 hectares of these tenanted lands into owner-farms and increased the area under owner-cultivation from 419,000 hectares to 578,000 hectares, thus reducing the area under tenancy to 15 per cent of the total tenanted area on Taiwan. Of the 159,000 hectares converted into owner-farms, 143,000 hectares were transferred to tenants by the government and the other 16,000 hectares purchased by tenants directly from landlords during the implementation of the program. The direct purchase of these 16,000 hectares represents a coincidental achievement of the reform. These lands would not have been sold by landlords to tenants had the program not been launched by the government.

The reduction of tenancy is also seen in the decrease of the number of tenant farmers. In June 1952, there was a total of 566,000 farm families on the 680,000 hectares of private farm lands on the island. Of these families, 311,000 families, or 55 per cent of the total, were tenants and part-tenants. The Land-to-the-tiller Program converted a total of 195,000 tenant farmers into part owners or full owners. As a result of the reform, there are only 149,000 tenants and part tenants now, indicating a reduction of the number of tenant families working on private land to 26 per cent of the total.

These effects may be shown as follows:

#### 1. Area of Private Farm Land under Farm Tenancy:

- a. Total area of private farm land      681,154 hectares    100.0%
- b. Total area of tenanted land before reform    262,251 hectares    38.6%
- c. Total area of tenanted land after reform      103,437 hectares    15.2%



2. Farm Families on Private Farm Land:

a. Total number of families on private farm owned land (Tenants and owner-operators)	566,270	100.0%
b. Tenant families before reform (including part owners)	311,637	55.0%
c. Tenant families after reform (including part owners)	149,282	26.4%

II. Farm Ownership Control Program

The three rural land reforms carried out in Taiwan since 1949 have resulted in creating a total of about 320,000 part owners and full owners of land. Since 1951, however, a situation detrimental to the reform has developed. Various localities have reported that quite a number of new owners have sold their lands acquired during the reform. This development first occurred on public land areas. After the completion of the Land-to-the-Tiller Program, it has spread to areas where private lands have been purchased and resold by the government.

In May, 1954, the JCRR made an investigation of the situation. The investigation revealed that in the six southern hsien of the province, a total of nearly 1,000 cases of illegal sale, mortgage and lease of private lands acquired under the Land-to-the-Tiller Programs was made by farmers without government approval. These illegal disposals of the acquired lands were motivated partly by financial difficulties of the farmers and partly by mercenary purpose. In Yunlin Hsien an analysis of 71 cases of illegal disposals of the acquired lands showed that 43 cases were made in the form of sale, mortgage and lease. Of the 43 cases, 35 cases were caused by debts and other financial difficulties and the rest by other motives. In all these cases, title deeds have been all transferred together with the lands to the second purchasers, mortgagees, and lessees. Evidently, lands so disposed will never be regained by the original owners.

On public land areas, no check has been made. But the situation was reported to be more serious. This development clearly indicates that the achievements of land reforms are being threatened. As a counter measure, the Land Bank proposed a farm credit program of NT\$30,000,000 to be extended to the needy farmers. To parallel that measure, an investigation project to control the farm ownership of these 320,000 farm purchasers was initiated by JCRR.

The farm ownership control project was formulated on the principle that before the land resale price has been paid off, these 320,000 farm purchasers should not be forced or induced to lose their acquired farms. The project includes three steps: 1) To prevent improper disposal of acquired lands by farm purchasers according to the government regulations during the ten year period of amortization, 2) To look into and analyze the real causes which have led the farmers to give up their lands and to formulate preventive measures for application, and 3) To find out those farmers who can not regularly pay the land resale price and to provide them with necessary credit.

The project aims to set up a regular investigation machinery and a set of control records for each farm purchaser during the 10 year period of amortization. The investigation will be made twice a year at the collection of land resale price by a regular team of government investigators who will check, among other things, the ownership status and the financial conditions of each of the 320,000 new owners. The results of the field investigation will be recorded on the investigation sheet, one for each owner. In the field, the investigators will settle disputes and warn the owners against improper disposal of their lands. The investigation results will be analyzed and submitted to the government for working out effective measures to prevent such practices from happening and to solve all pertinent problems.

The investigation will be continued every year until the amortization period expires. It is expected that, with the implementation of this investigation project, improper disposal of purchased lands by the 320,000 new owners will be brought under control while positive measures and steps can follow up to protect the new owners from losing their lands.

The project began its operation in June, 1954. Three hsien were chosen for demonstrating the project. They are Kaohsiung in the south, Taichung in the central part, and Yilan in the north. In these districts, there were a total of 67,000 new owners on both public and private lands who were created since 1949. Ninety-two field workers are conducting the field check of these new owners in these districts for a period of three months. After that, they will spend three months to prepare a statistical report and make recommendations on the basis of their investigation. At the close of fiscal 1954, one-third of the field investigation work in these three districts has been completed.

### III. Construction of Fire-Proof Storage Facilities for Land Records

In Taiwan, there are 59 land registration offices in 22 administrative districts. These offices handle the registration of land titles. Each of them should have an archive to hold all land title records, land cadastral maps and other official documents relating to land in general. Some of these offices, however, have such storage facilities while others do not. Since 1949, these offices have become the headquarters for technical planning and carrying out of various land reform projects. Land records have been growing in volume. An example is found in the use of land classification cards for the planning of the Land-to-the-Tiller Program. This process alone called for the addition of more than 6,000,000 land cards to the archives even before the program was put into operation. After that, another 8,000,000 revised cards which are under compilation will be stored in these offices.

To solve the storage problem, the JCRR undertook in fiscal 1954 to construct 22 new storage houses for 22 land offices to provide space for a part of the entire land records. Of the 22 hours, 21 are chen archives and one provincial archive. The sizes of these new archives are 56, 69, 90, and 198 square meters and the buildings are fire-proof. The following table shows the geographical distribution of these archives.

Locality	No. of Archives	Building space (square meters)
Taipei Hsien	2	138
Taoyuan Hsien	1	69
Hsinchu Hsien	1	69
Taichung Hsien	5	194
Changhua Hsien	1	69
Yunlin Hsien	2	138
Chiayi Hsien	1	90
Tainan City	1	69
Tainan Hsien	2	159
Kaohsiung Hsien	2	159
Pingtung Hsien	2	69
Hualien Hsien	1	56
Penghu Hsien	1	69
Taipei City	1	198
Total	22	1,615

The construction work of these archives started in May, 1954. It is scheduled to be completed within three months. At the close of fiscal 1954, about one-third of the engineering work under the project has been completed. The whole project is expected to be completed before October, 1954.



#### IV. Educational Program on Land Reform

During fiscal 1954, the JCRR also implemented two educational projects on land reform. They were: 1) A documentary film on the Land-to-the-Tiller Program and 2) a general report on the land reform. Both the film and the report show what a genuine land reform is as a contrast to the communist land reform on the mainland of China and demonstrate how a land reform should be planned and carried out in a democratic and peaceful manner, beneficial to both the landlords and the tenants.

##### A. The Land-to-the-Tiller Motion Picture

The 16 mm documentary film, totalling 1,500 feet in length, was made in black and white. The scenes which were taken during the operation of the Land-to-the-Tiller Program, represent different stages of the field work covering training of workers, reviewing of land data and records, field investigation of lands, transfer of lands, collection of purchase and resale prices, issuance of land bonds and other highlights of the program. The work of making 50 copies of the film in Mandarin, Taiwanese and English versions was started in May 1953. By the close of fiscal 1954, 16 copies in Taiwanese dialect and 14 copies in Mandarin have been completed, with 20 copies in English still under production. Of the 30 copies produced, 5 copies of the Mandarin and Taiwanese versions have been distributed by the government to oversea Chinese in New Zealand, Philippines, Thailand, Indo-China and Macao. The film lasts about 45 minutes and has been shown with success.

##### B. General Report on JCRR-support Land Reform Program

This report gives a detailed story of Taiwan's land reform carried out with JCRR assistance since 1949. It consists of two parts. The first part describes the operation and achievements of these reforms and the second part provides the full text of land reform laws and regulations. The report will be printed in both Chinese and English. Part one of the report consists of five chapters on background, farm rent reduction, public land sale, Land-to-the-Tiller program, and the future of land reform in Taiwan. Part two embodies a total of 11 sets of laws and regulations governing the land reform. By the close of fiscal 1954, over 50 per cent of the work in writing and translating the report has been completed. It is expected to be available for distribution before the end of the year.

#### V. Land Reform Program on Kinmen Island

In 1953, the JCRR extended its land program to Kinmen, one of the most important off-shore islands under the government control. The government request for the assistance came in March and a program of land purchase was launched there in September.

Unlike land reform programs implemented on Taiwan, the land reform program on Kinmen island was carried out largely for political reasons. On Taiwan, more than one-half of the cultivated land was under tenancy and one-half of its farming population consisted of tenants before the reform. The land reform was carried out to alleviate the economic difficulties of the tenants and to help them become independent owners. On Kinmen, the situation is different. Kinmen has an estimated land area of 158 square kilometers or 237,351 Shih mow. About 100,000 mow are cultivated land of which 10,000 mow are tilled by tenant farmers. The island has a population of 42,493 or 8,796 families of which 90 per cent are farmers. Only 10 per cent of the farmers are tenant farmers, the rest are all owner farmers or part owners. Apparently, there is no serious land problem on an island with so small a percentage of farm tenancy. However, when viewed politically, a kind of land reform is still desirable. The island is so close to the Chinese mainland that it may serve as a show window displaying to the Chinese Communists the economic reform that Free China is undertaking.

Another factor which distinguishes the program on Kinmen from that on Taiwan is the implementation procedures. Lands on Taiwan had been under good government management even before the reform. With a complete set of land title records and land cadastral maps, land reform programs could be well planned and executed by the government. On Kinmen, land administration has long been neglected and management of lands is poor. The local government has no accurate records on the areas and titles of lands on the island and levies no land tax. On Taiwan the reform could do without the preliminaries and start immediately with the subject-matter. On Kinmen, survey of the land area and registration of land titles must precede the subject-matter of reform.

The land reform program on Kinmen has three phases: (1) Survey of the land area and registration of land titles in order to find out the exact conditions of farm tenure and land distribution on the island. (2) Formulation of a set of implementation measures embodying the essential principles of the reform. (3) Purchase and resale of tenanted lands. The program work was started in September, 1953. By the end of fiscal 1954, the first and the second phases of the program were near completion while the work on the third phase was under preparation.

The work on the first phase includes a cadastral survey on about 156,000 plots or 113,124 mow of lands on the island and the registration of all titles on these lands. For this work, a total of 50 surveyors and field assistants was selected from the army personnel there for training. These surveyors were organized into from 18 to 25 field teams to conduct the survey with the surveying equipment provided by the JCRR. By the end of fiscal 1954, a cadastral survey covering the whole island was completed. The survey shows that the island possesses a total land area of 219,000 mow out of which 81,074 mow are cultivated lands. The distribution is as follows:

Chen	Land Area in Shih Mow	Cultivated Area in Shih Mow
Chingsha	59,846	18,033.052
Chinghu	62,432	14,578.000
Chingshan	26,412	15,448.000
Chingning	43,217	22,374.979
Chingcheng	5,642	2,862.104
Li-yui	21,451	7,778.530
Total	219,000	81,074.665

During the field survey, the teams also made a set of land cadastral maps, totalling 241 pieces.

The registration of land titles was started in December, 1953. By the end of fiscal 1954, a total of 76,690 titles was registered in the 5 chen in Big Kinmen.

Along with the land survey and title registration, the Kinmen Hsien Government also worked to collect the cadastral data on the 81,000 mow of cultivated land, calculate area for purchase and resale, compute number of farm families and collect other pertinent data for transferring tenanted lands. These tasks were still in progress by the end of June, 1954.

Preparation of regulations governing the land reform on Kinmen was started in April and submitted to the Executive Yuan for action in September 1953. The Executive Yuan questioned the legal basis of the draft and sent it back for redrafting. A second draft was made and submitted again to the Central Government in March, 1954. Following that, two conferences, on May 26 and June 19, 1954 respectively, were called by the Ministry of Interior to screen the draft regulations. These two conferences made further revisions in the draft before it was submitted to the Executive Yuan for final approval.



The main points of the draft regulations at that time were as follows:

(1) All private tenanted lands exceeding five mow of fifth grade of paddy field shall be purchased by the Kinmen Hsien Government for resale to farmers who till them presently as tenants.

(2) Landlords may retain a maximum acreage of five mow of fifth grade of paddy field. Landlords who are widowed, orphaned, disabled or infirm and depend on the income from land for their living may retain an area twice as large as that for ordinary landlords.

(3) The land purchase price shall be fixed at the aggregate value of five crop harvests within two and half years.

(4) The land purchase price shall be paid by the Fukien Provincial Government in cash in one lump sum and shall be reimbursed to the provincial treasury by the Kinmen Hsien Government from the income of land tax. The land tax will be levied by the Kinmen Hsien Government after the land reform is completed. Tenant farmers therefore do not need to pay resale price.

The other procedures in conducting land purchase and resale in Kinmen are generally similar to those implemented in Taiwan under the Land-to-the-Tiller Program.

## VI. Conclusion

With the implementation of Land-to-the-Tiller Program, the major problems arising from unfair land tenure and distribution in Taiwan have been solved through democratic processes and in a peaceful manner. Some basic land problems are still in existence, however, and upon the solution of these problems hinges a sound rural economy of the island.

One of these problems is the tenancy situation on the 100,000 hectares of private lands which are still retained by landlords and tilled by tenants. These tenants should continue to be protected by rent reduction law until they acquire their own land. At present, tenants on these lands still pay rent at the 37.5 per cent rate. However, the 37.5 per cent lease contracts concluded by landlords and tenants in 1949 will expire at the end of 1954. As soon as these lease contracts expire, it would not be surprising to see many landlords attempt to take back the lands from the present tenants and numerous tenancy disputes would result.

Therefore, the government should, before the expiration of the lease contracts, take steps to renew these contracts and extend the tenure. This decision must be made and steps taken immediately in order to make the government position on this issue known to landlords and tenants. This will prevent the rise of unnecessary social chaos in the rural areas. However, even if the lease contracts are renewed, the problem of tenancy would not be solved unless further steps are taken to convert these tenanted lands into owner-farms by helping the tenants to acquire ownership according to the provisions in the Land-to-the-Tiller Act (Article 12) and the Land Law (Article 33). It is only by such a measure that the tenancy problem in Taiwan can be satisfactorily solved.

Another problem is land classification. In Taiwan farm lands are classified into two categories and 26 grades. On the basis of the land grades all land reform projects have been developed and implemented. For example, under the 37.5 per cent rent reduction program, the land grade is used to determine the volume of crop harvest and serves as the basis for reducing the rental rates. Again, under the public land and land-to-the-tiller programs, it is used to determine the land purchase and resale prices and the acreage for retention by landlords.

Land classification is so closely related to land reform projects that technically it is the backbone of Taiwan's entire land reform program. However, grades in some areas do not correspond to the actual productivity of the land. Some under-represent and some over-represent the productivity. The reason is that these grades were classified in 1944. Since then land productivity has undergone changes along with the improvements or deterioration made in the land use conditions. To what extent those changes have gone is still not clear. But complaints and grievances on the inaccuracy of land classifications have often been heard from the tenants and landlords. The problem has created unfair financial and tax burdens on both the farmers and landlords. The Provincial Peoples' Assembly has urged the Provincial Government to revise the land grades. This task should be undertaken in time. Otherwise it may affect the land reform achievements.

The third problem is how to relieve the credit need of the 320,000 land purchasers. This problem touches the root of the land reform. With 60 per cent of these purchasers tilling a farm of less than one hectare, obviously they can not be expected to make both ends meet. Improvement in their economic condition was witnessed after the land reform. But their finances are still insufficient to meet their production needs. Without adequate capital, these farmers cannot substantially boost their farm production and farm income. At present there are farmers who have resorted to exploitative farming or turned to private lending agencies for high-interest loans. Both means could easily cause them to lose their lands and to sink them again into tenancy.

To cope with the situation, the Land Bank of Taiwan has, after the completion of the Land-to-the-Tiller Program, inaugurated a farm credit program of NT\$30,000,000 to be extended to these farmers. But the amount is still too meager to meet the overall need of the 320,000 farm purchasers. Demand for low-interest credit has often been voiced by the farmers and their representatives. This demand should not be neglected if the land reform achievements are to last.

#### Chapter VI. Land Reform on Quemoy (July 1954 - June 1955)

With completion of the Land-to-the-Tiller Program in 1954, most serious defects of Taiwan's land tenure system have been corrected. Tenancy was reduced, farm ownership and production increased and farmer's living conditions improved:

A number of unfinished tasks, however, still call for a long-term program of action by the government. For example, the Land-to-the-Tiller Program did not wipe out all farm tenancy; about 100,000 hectares of private land are still operated by some 150,000 farmers as tenants and part-tenants. These tenants do not all share the benefit of the Land-to-the-Tiller Program. They still constitute an underprivileged class and a source of instability and discontent if no follow-up measures improve their condition.

The 320,000 new owners created by the reform are not fully independent until they finish paying for their land. (The 320,000 include 120,000 who acquired farms in the second stage of the reform when government-owned land was sold and 200,000 who bought under the "Land-to-the-Tiller" or third stage.)

Both government regulation and credit assistance are urgently needed to help the new owners. Without it, their holdings might be divided, sold, assigned, let or sublet and they might eventually lose their land.



The government also has problems. The degree of success of collection of the land resale price from new owners and of the reorganization of the four government corporations into private enterprises will affect the government's ability to make the promised payments to landlords. That in turn will affect the landlords' investment in industry.

Until all these tasks are satisfactorily performed, the benefits of Taiwan's land reform can hardly be made enduring and its agrarian economy reorganized on a healthy and sound basis. In fiscal 1955, JCRR worked with the government toward the solution of the above problems.

JCRR also assisted the government in carrying out a similar land reform program on Kinmen Islands.

#### 1. Land-to-the-Tiller

With redistribution of 143,000 hectares of private, tenanted lands successfully completed in 1953, two items of work were left which the government will continue for several years: (1) Collection of land resale price from the 200,000 owners created under the "Land-to-the-Tiller" stage and (2) reorganization of the four government corporations into private enterprises. Fiscal 1955 marked the second year of successful work by the government toward those goals.

#### 2. Collection from New Owners

The government is required to pay a total of 1,525,217,449 kilograms of rice and 519,467,865 kilograms of sweet potato, including interest, to landlords as compensation for the 143,000 hectares purchased and resold under the program. These two amounts should be collected from the 200,000 new owners by the government in 20 semi-annual installments in 10 years starting July 1953.

Seventy per cent of the collection is to be paid to landlords to redeem the land bonds issued to them and 30 per cent retained by the government in return for the sale of the four government corporations. Landlords get 30 per cent of their pay in the form of stocks in the corporations.

Accompanying tables show amounts postponed or adjusted, amounts payable and paid. The tables are based on data from Land Bank of Taiwan.

The first four installments of the resale price totaled 285,110,278 kilograms of rice and the cash equivalent of NT\$62,175,520 of sweet potato. Of these amounts, 259,009,449 kilograms of rice or 90.84 per cent and NT\$61,457,331 of sweet potato or 98.87 per cent were actually payable to the government by new owners. The rest was postponed, exempted or reduced from payment because of soil erosion and crop failures owing to natural disasters.

In both cases, the government had to pay the full amounts to the landlords. But only in the case of postponement do new owners have to make up their payments to the government after the last of the regular 20 installments. The largest postponement, 19 per cent in the fourth installment, was caused by the serious drought.

Of the two payable amounts, 254,160,291 kilograms of rice or 98.13 per cent and NT\$60,820,788 or 98.96 per cent have been collected from new owners by the government.

The government has redeemed about 90 per cent of the rice bonds and 96 per cent of the sweet potato bonds due the landlords from the first four installments.

Amount of First Four Installments of Resale Price Payable By New Owners Excluding  
Amounts Postponed, Reduced and Exempted

(Compiled by Land Division, May 1955)

Item	Installment Number	(A)*		(B)		(C)		(D)	
		Amount payable	%	Amount postponed	%	Amount Exempt and reduced	%	Amount actually payable	%
Commodity payment in rice (kilogram)	1st (July 1953)	59,562,471.00	100	2,447,782.50	3.52	1,047.00		67,113.641.50	95.48
	2nd (Jan. 1954)	72,992.668.00	100	4,040.023.00	5.53	80.049.00	0.11	68,872.596.00	94.36
	3rd (July 1954)	69,562.471.00	100	5,427,894.00	7.80	83.268.00	0.12	64,051.309.00	92.08
	4th (Jan. 1955)	72,992.668.00	100	13,938,622.50	19.09	82.143.00	0.11	58,971.902.50	80.80
	Total	285,110.278.00	100	25,854.322.00	9.07	246.507.00	0.09	259,009.449.00	90.84
Cash payment for sweet potato (NT\$)	1st (July 1953)	23,869,466.93	100	42,063.09	0.18	1,035.13		23,826.368.71	99.82
	2nd (Jan. 1954)	13,157.684.44	100	116,179.24	0.88	4,778.40	0.04	13,036.726.80	99.08
	3rd (July 1954)	15,120.784.66	100	89,210.98	0.59	6,878.01	0.05	15,024,695.67	99.36
	4th (Jan. 1955)	10,009.584.12	100	430,628.28	4.30	9,415.40	0.09	9,569.540.44	95.61
	Total	62,157.520.15	100	678,081.59	1.09	22,106.94	0.04	61,457.331.62	98.87

\* A = B + C + D



Amount of First Four Installments of Land Resale Price Actually Payable  
And Amount Actually Paid By New Owners

(Compiled by Land Division, May 1955)

Item	Installment number	*(D)		(E)		(F)		(G)	
		Amount actually payable	%	Amount actually paid in	%	Amount defaulted	%	**Amount short of payment	%
Commodity payment in rice (kilogram)	1st (July 1953)	67,113.641.50	100	66,800,398.50	99.53	313,243.00	0.47		
	2nd (Jan. 1954)	68,872.569.00	100	66,662.162.12	96.79	1,121.874.00	1.63	1,088,559.88	1.58
	3rd (July 1954)	64,051.309.00	100	63,518.830.50	99.17	527,492.50	0.82	4,986.00	0.01
	4th (Jan. 1955)	58,971.902.50	100	57,178,900.50	96.96	1,551.901.40	2.63	241.100.60	0.41
	Total	259,009.449.00	100	254,160.291.62	98.13	3,514.510.90	1.36	1,334.646.48	0.51
Cash payment for sweet potato (NT\$)	1st (July 1953)	23,826.368.71	100	23,635,509.38	99.20	92,313.17	0.39	98,546.16	0.41
	2nd (Jan. 1954)	13,036,726.80	100	12,871,134.18	98.73	165,592.62	1.27		
	3rd (July 1954)	15,024,695.67	100	14,813.869.06	98.60	150.488.61	1.00	60,338.00	0.40
	4th (Jan. 1955)	9,569,540.44	100	9,500.276.04	99.28	69,264.40	0.72		
	Total	61,457,331.62	100	60,820.788.66	98.96	477,658.80	0.78	158,884.16	0.26

\* D = E + F + G

\*\* Denotes amounts not paid by new owners as compared with the "Amount Payable" for that particular installment. They were caused by later correction of acreages of land resold to new owners.

Stock in Corporations Issued to Landlords  
By April 30, 1955

Corporation	Government stocks	No. shares due landlords	Shares issued
Agricultural and Forestry	13,882,159	8,651,230	8,632,183
Industrial and Mining	18,408,830	11,264,019	11,239,354
Paper and Pulp	21,996,600	21,728,333	21,681,103
Cement	24,714,828	24,369,814	24,316,802
Total	79,002,417	66,013,396	65,869,442

3. Corporations Reorganized

Stocks of the four government corporations turned over to private management were formally issued to landlords by the Land Bank of Taiwan on March 1, 1954, in exchange for the temporary ownership certificates. By April 30, 1955, 99.78 per cent of the total stocks due to landlords had been issued as shown in an accompanying table.

After the sale of the 66,013,396 government shares to landlords, 12,989,021 government shares were left, most of which belong to the Agricultural and Forestry Corporation and Industrial and Mining Corporation. Of this number, about 1,000,000 shares have been paid by the government to landlords as additional compensation under Section 2, Article 8 of the Land-to-the-Tiller Act. The remainder will be sold to individuals to make the two corporations into entirely private enterprises.

To transfer the corporations into private ownership, new stockholders meetings were held in October and November 1954 and March 1955, to take over the management. A nearby table shows the results:

Results of New Stockholders Meeting to  
Reorganize Government Corporations

Corporation	Date	Owners present	Shares represented	New management staff elected
Agricultural and Forestry	March 16, 1955	11,659	12,595,814 out of 15,000,000	A 27-man Board of Directors
Industrial and Mining	March 10, 1955	2,281	19,874,568 out of 25,000,000	A 21-man Board of Directors
Paper and Pulp	Nov. 15, 1954	1,530	20,575,854 out of 30,000,000	A 27-man Board of Directors
Cement	Oct. 23, 1954	1,833	18,930,031 out of 27,000,000	A 19-man Board of Directors



To assist in starting the operation and management of the four corporations after reorganization, the Central Government established an Assistance Committee of representatives from various departments of the Central and Provincial Governments, the Bank of Taiwan, the Provincial People's Assembly, and the four corporations. The function of the Committee is to offer, during the period from October 1954 to December 1957, various kinds of necessary assistance to the four corporations.

The assistance may include the carrying out of all established business policies for expanded operation and improved management, purchase of necessary raw materials and equipment from abroad, negotiation of necessary government loans, sale of finished products, and termination and reassignment of unnecessary personnel.

Up to March 1955, practically all former employees of the Cement and Paper Corporations have been continuously employed. In the other two corporations, small layoffs may be expected later.

#### 5. Land Reform Continues

The Land-to-the-Tiller Program and other programs started before 1954 have converted 78 per cent of Taiwan's tenant population to full and part owners and 60 per cent of its tenanted area to owner-farms. However, it also has left some 100,000 hectares of land and 150,000 farm families under tenancy.

In addition, the 320,000 new owners created under previous reforms were left without further aid by the government. This situation called for more programs of action during fiscal 1955.

#### 6. Rent Control

JCRR assisted the government in improving the status of the 150,000 tenant families through continuation of the rent control program. Control of rental payment was authorized in 1948 by an act under which each landlord and tenant must sign a 6-year lease and rent cannot exceed 37.5 per cent of the main crop yield. The leases would have expired in December 1954.

To continue rent control, the farm lease contracts had to be renewed before expiration. Accordingly, the government announced, in December 1954, a continuous program on rent control under which all expired leases must be renewed for another 6 years ending in 1960.

The contract renewal was conducted through three steps: (a) Application by tenants and landlords for either renewal or termination, (b) screening of applications by government, and (c) granting of new leases if renewal was accepted by landlords or conciliation of disputes if renewal was opposed by landlords. The program was started in January 1955 with JCRR providing NT\$380,000 to cover a part of the expenses.

The 22 hsien governments sent field workers to visit each tenant family and to invite their applications for renewing the lease contracts. By March 28, 1955, some 172,255 expired contracts were registered with the government. Of these requests, 154,172 contracts or 89 per cent were from tenants for renewal, and 38,358 or 22 per cent were from landlords for termination. Disputed cases were to be referred to farm tenancy committees for conciliation.

Preliminary analysis indicates that most of the termination applications were by landlords hoping to sell the land at a higher price after it had been taken back from tenants. A small number were from small landlords whose financial difficulties forced them to cultivate the land themselves to earn more income. These applications have been referred to 341 chen and district farm tenancy committees for conciliation.

## 7. Protection of New Owners

JCRR also supported a program to survey the post-reform status of the 320,000 new owners throughout the Province. This survey was to determine: (a) Illicit transfer of newly acquired holdings, (b) payment conditions of land resale price, and (c) improvements made by new owners in farm production and livelihood.

Purpose of the study was: (a) To protect new owners from losing their acquired holdings, (b) to assist them in liquidating their land resale payments, and (c) to measure effects of land reform upon farm production and farmers' living.

The project was started in the summer of 1954 in Yilan, Kaohsiung and Taichung Hsien with a family-by-family check of 51,978 new owners. The following conditions were found one year after the reform:

(1) Change of land ownership and land use has taken place in 3,853 families or 7.41 per cent of those checked. Of those, 525 were sales, mortgages and leases: 2,857 were sub-divisions of the new holdings caused by succession or splitting of families and 471 involved change of the farm land into other use.

(2) Payment of land resale price is in default in 2,747 families or 5.28 per cent of those checked. Of those cases, 1,519 were caused by poverty: 55 by family accident: 800 by crop failures: 132 by heavy payment burden of the purchase price; 69 by poor productivity of the land and 32 by other factors. Only 140 cases were intentional or willful default.

(3) Improvements in farm production and livelihood have been made by 5,479, or 10.54 per cent of the families checked. Fifteen hundred families purchased new ox-carts and farm implements, 1,789 families built new farm houses, 1,915 built compost houses and pig sties and 276 installed water pumps.

The above findings also revealed many discouraging problems. Among the most important are loss of acquired holdings, breaking up of farms, un-economic-sized farms, lack of farm credit, and improper use of land. These problems could threaten the very foundation of the reform. Although the findings were local, they show a part of developments in rural areas since the reform.

In view of the above developments, the government drafted in 1954 a special measure called "Regulations for the Protection of Owner-Farmers and Tenants in Taiwan". This measure provides three means to remedy the situation: (1) Rigid regulation of illicit transfer of holdings by new owners, (2) land purchase loans for tenant farmers, and (3) farm production loans for owner-farmers, both new and old.

The measure is being studied by the government and is expected to be approved and put into action in 1956. As a first step, the Land Bank of Taiwan in 1954 set up an NT\$30,000,000 farm production loan to help new owners meet their urgent needs.

In May 1955, the field survey started in 1954 was extended to the other 19 hsien in the Province. By the end of fiscal 1955, the field check by 469 workers was nearly completed and the reports were being assembled for processing and analysis.



## 8. Land Management

In addition to assistance on land reform programs, JCRR gave attention to the improvement of land administration. One of the weaknesses in Taiwan's land machinery at the beginning of the land reform was the lack of adequate and permanent storage to hold its increasing land records in its 59 chen land offices.

During fiscal 1954, JCRR selected 22 land offices most in need of new storage and approved a project to build 22 standardized fire-proof land archives in these offices. One provincial archive also was to be built with a partial JCRR subsidy. By the close of fiscal 1955, 21 archives have been completed and 2 are under construction.

To match JCRR's assistance to the 23 land archives, 10 local governments benefitting under the project raised a local fund of NT\$1,400,000 and have built 11 new land office buildings.

To continue the program, JCRR in fiscal 1955 approved partial subsidies for five more archives. Construction will start in September 1955. After completion, they will add 293 square meters of storage space to the 1,727 square meters already constructed in 1954.

Another effort made in fiscal 1955 by JCRR to increase the government's land management efficiency was to establish, in cooperation with the Provincial Land Bureau, a set of comprehensive land statistics. Taiwan has never had a set of complete and accurate land statistics in the past.

To obtain the latest statistical data, JCRR and the Provincial Land Bureau will compile and publish a new and comprehensive set of land statistics based on post-reform land records. Publication is scheduled for completion before February 28, 1956. It will include four parts:

- (1) Land Cadastral Statistics: A complete statistical description of the kinds, areas, classifications and taxes of all public and private lands.
- (2) Statistics on Landowners and Private Lands: Area of private lands, area under owner cultivation and tenant cultivation, kind and number of owners in acreage and size groups.
- (3) Statistics on Public Land: Number of plots, areas, kind and classification of public lands and those sold to farmers and retained by government.
- (4) Statistics on Farm Tenancy: Areas, kinds, and classification of private tenanted lands and number of tenant farmers.

## 9. Land Reform on Kinmen

The land reform program on Kinmen Islands was started for three purposes: (1) To correct land tenure defects, (2) to improve the living standard of the farmers and (3) to make the people on the Chinese mainland more conscious of the nature of land reform in Free China.

The program on Kinmen consists of three phases: (1) Surveying of cultivated land area, (2) registration of land ownership, and (3) purchase and redistribution of excess private tenanted lands.

Survey of the cultivated area on the island was started in August 1953 and completed in July 1954 when 107,357 shih mow or 145,331 plots of cultivated lands were surveyed and mapped out on 241 pieces of cadastral maps by trained surveyors recruited from local army personnel. (A shih mow is equal to 0.0667 hectare or 0.16474 acre).

Classification of Land in Kinmen Hsien According to Use

Use	Land Plots		Area in Shih Mow	
	Number	%	Number	%
Farmland	114,549	78.82	90,224	84.04
Graveyard	9,207	6.34	2,776	2.58
Building Sites	9,159	6.30	2,704	2.51
Uncultivated	5,847	4.02	6,091	5.70
Miscellaneous	4,058	2.79	2,691	2.50
Pond	1,217	0.84	1,450	1.35
Others	1,294	0.89	1,421	1.32
Total	145,331	100.00	107,357	100.00

Registration of land ownership followed in areas where surveys had been completed. The registration was begun in May 1953 and completed in February 1955. Registration included area of land holdings, name of owner, classification, use and location of land, nature of ownership, obligations created on the land, farm tenancy, and other data.

Of the 90,224 shih mow of farm land registered, 23,562 shih mow are public lands and 66,662 shih mow are private lands. Of the 11,441 owners, 6,558 or 57.3 per cent owned only 1 to 5 shih mow of land. Another 2,810, or 24.5 per cent, owned 5 to 10 shih mow and only 68. or less than one per cent, owned more than 30 shih mow of land.

Areas of Lands Registered in Kinmen Hsien, By Grades

Land grade	Total area under use registered (in shih mow)	%	Cultivated land registered	%
1st	23			
2nd	181	0.19		
3rd	2,122	2.00	1,691	1.87
4th	9,922	9.24	8,280	9.18
5th	24,418	22.60	21,321	23.63
6th	27,272	25.00	24,559	27.22
7th	30,390	28.00	27,082	30.00
8th	7,138	7.57	4,727	5.24
9th	4,657	4.30	1,822	2.04
Unclassified	1,234	1.10	742	0.82
Total	107,357	100.00	90,224	100.00

Operators of Private Farmland

Tilled by	Area in Shih mow	Per cent
Owners	58,572	87.86
Tenants or under trusteeship	8,069	12.10
Military	21	0.04
Total	66,662	100.0



The regulations entitled "Measures for the Establishment of Owner-Farmers in Kinmen Hsien, Fukien Province" consist of 21 articles. A condensed version follows:

1. All private, tenanted holdings in excess of 5 shih mow of fifth grade land or its equivalent shall be purchased by the government and redistributed to present tillers. For physically disabled, old or infirm landowners, the limit is 10 shih mow.

2. Value of excess lands to be compulsorily purchased shall be determined at the aggregate value of five crop yields on that grade of land during a period of  $2\frac{1}{2}$  years.

3. The land purchase price fixed on the basis of the above formula shall be paid in cash to the landowners by the Kinmen Hsien Government in one lump sum. However, the price of any immovable fixtures shall be paid by the tillers.

4. The government will distribute the land to the tillers free of charge.

The Kinmen Hsien Government compiled lists of lands to be purchased and their purchase prices in April 1955. These lists showed 1,925 shih mow of excess private tenanted land which would be purchased from 613 landowners for NT\$793,705 and redistributed to 960 tenant farmers.

The land purchase price was first estimated at NT\$1,000,000. Besides \$660,000 loaned by the Central Government to cover about two-thirds of the total price, JCRR granted in May 1955 a loan of NT\$330,000 without interest to the Kinmen Hsien Government to pay the other one-third of the price. Income from the local land tax will enable the Kinmen Hsien Government to retire the loan in six equal semi-annual installments beginning in July 1957.

By the close of fiscal 1955, the Kinmen Hsien Government had publicized the land lists and started the work of purchase and redistribution which will be completed early next fiscal year.

#### Chapter VII. Consolidation of Land Reform Achievements (July 1955 - June 1956)

Land reform in Taiwan progressed along three major lines the past year. One was the consolidation of gains made under rent reduction and land distribution programs of the past 7 years. Second was the introduction of a program to adjust the misuse of marginal land. Third was the completion of a new land program in 61 urban areas.

During fiscal year 1956, JCRR assisted the Chinese Government in the completion of the first and cooperated with local governments in starting the second. JCRR did not participate in the urban land program.

The Chinese Government continued to improve land administration by building more storage facilities for the increasing number of land records, modernizing land title records and completing the compilation of new land tenure statistics. The Kinmen Hsien Government completed a land redistribution program and a tenure reform program similar to those carried out in Taiwan.

1. Land-to-the-Tiller Program

The Chinese Government completed three major tasks in connection with the Land-to-the-Tiller Program: (1) A survey of the effects of land reform upon 317,000 new owners; (2) Planning of new land legislation to help tenant farmers acquire the remaining tenanted lands in the Province; (3) Collection of the third-year land payment from new owners.

2. Survey of New Owners

A survey of the effects of land reform on 317,000 new owners created by that program was completed. The field check was started in the summer of 1954 by the Provincial Land Bureau with JCRR support and was completed in September 1955. Results are cumulative over the 6-year period since the program first started. The statistical analysis showed both the bright and dark side of the rural economy.

On the bright side the statistics showed that among 317,000 new owners:

- (1) Almost all of them have purchased new clothing during the past 6 years.
- (2) About 8 percent of the new owners have purchased 24,000 sewing machines.
- (3) About 39,000 farm families have built 100,000 new houses and 87,000 have repaired 330,000 old ones.
- (4) About 27 per cent have purchased 90,000 bicycles.
- (5) About 49 percent have bought new furniture.
- (6) About 8 percent have installed new electric lighting systems or added additional lamps.
- (7) About 1,800 radio sets had been bought.
- (8) Thirteen percent have either installed new water pumps, dug new wells, constructed reservoirs, or planted wind-break forests.
- (9) Forty percent have purchased new farm implements, such as threshers, cleaners, and improved plows.
- (10) More than 50 percent have constructed drying grounds, compost houses, pig sties or tobacco curing houses or bought ox-carts, hand carts or insecticide sprayers.
- (11) More than 40 percent have bought some 140,000 water buffalos.

On the dark side, the statistics showed that among the 317,000 farmers who purchased land during land reform, 3,497 new owners have given up 1,574 hectares of their new holdings in the following manner:

1,632 farmers have sold 817 hectares; 1,015 farmers have turned over 464 hectares as gifts to others; 338 farmers have mortgaged 89 hectares of their holdings; 367 farmers have rented out 131 hectares of their new holdings to other farmers for cultivation; 145 farmers have been cultivating 78 hectares of their lands by hired labor instead of by their own family labor as required by the law, and 21,900 farmers have failed to make one or more land purchase payments.



Three major causes of the loss of holdings by new owners were: (1) Debt and poverty-ridden conditions of a part of the new owners; (2) Desire to profit from selling their new lands; (3) Shortage of farm labor and movement of their residence.

Since such land transactions are conducted secretly, the above picture probably represents only a part of the true situation. The Provincial Land Bureau will start a second check of the 317,000 new owners in July 1956.

The survey also revealed a problem of land inheritance. After 2 years of land reform, 10,600 cases were reported in which about 7,250 hectares of new holdings were inherited by several heirs of each deceased farmer. If this trend continues, two situations will result: (1) Heirs who are not farmers or who have no ability to farm will inherit these lands and (2) new holdings will start a process of fragmentation under the present inheritance system. These conditions may harm the government land policy on one hand and create more uneconomic farm holdings on the other.

### 3. Planning New Land Laws

Among the foregoing problems, loss of new holdings by new owners is the most important and has embarrassed the Government the most. The Land-to-the-Tiller Act denies the legal validity of such land transfer but provides no way of nullifying the transfers.

Through this legal loophole, transfer and sale of new holdings were reported in some localities. In dealing with the situation, local governments could only reject the requests to register new titles and notify the second purchasers to cancel the transfer. Apparently, new land legislation is urgently needed to prevent the situation from becoming more serious.

To tackle the above and other problems, the Central Government in April 1956 called a large-scale conference with the Ministry of Interior, Provincial Land Bureau, Land Departments of local governments, the Legislators, Land Bank of Taiwan, JCRR and the Kuomintang Headquarters to develop preventive measures. The conference worked out the following principles for the government to develop into new land legislation:

1. An adequate credit fund to be established immediately to assist tenants in gradually purchasing the 100,000 hectares of private lands still retained by landlords and to provide new owners with production funds.
2. Clauses in the existing land legislation which prohibit the illicit transfer of new holdings by new owners are to be strengthened and rigidly enforced.
3. Civil and military organs of the government have in the past recklessly purchased good farm lands. Such purchase are to be rigidly regulated.
4. The 341 farm tenancy committees should be provided with sufficient operating funds to maintain their activities and improve their efficiency.
5. To prevent possible loss of holdings by tenants during periodic renewals of their lease contracts, tenant farmers should be given continuous leases of the 100,000 hectares of tenanted lands if landlords are non-farmers and cannot till the lands themselves.

The Ministry of Interior has drafted a number of articles incorporating these principles into the Land-to-the-Tiller Act and other regulations now in force. The draft will be recommended to the Executive and Legislative branches of the government for action.

#### 4. Collection of Land Payment

The land purchase price under the land-to-the-tiller program is to be repaid by farmer purchasers within 10 years in 20 semi-annual installments. From 1953 to 1955, six installments for the first three years had been paid by the farmer purchasers of private land as shown in an accompanying table. The table shows a trend toward gradual increase in the percentages of payments postponed and payments defaulted.

The 1955 payment conditions for the 63,000 hectares of public lands sold to 120,000 farmers were only little better than those for private lands. During the year, 84.44 percent of the price payable and 92.25 percent of the cash payable were paid by farmer purchasers. The rest was postponed or defaulted.

The new owners' survey revealed the causes of payment delinquencies before 1955. Of the 21,900 payment defaults, 48 percent were caused by crop failures but delay or exemption was not approved by the government, 16 percent were caused by other indebtedness, 13 percent by family accidents or emergencies, 10 percent by willful defaults and the other 13 percent by other factors.

Payments for Private Land By Farmers From 1953 Through 1955

Period	Item	Payable	Postponed	Reduced & Exempted	Defaulted	Paid
1st year (1953)	RICE (in kilogram)	100% (142,814,167)	4.54	0.06	1.00	94.40
	CASH (in NT\$)	100% (37,025,723)	0.42	0.02	0.70	98.86
2nd year (1954)	RICE	100% (142,309,052)	13.61	0.12	1.46	84.81
	CASH	100% (25,125,267)	2.07	0.07	0.87	96.99
3rd year (1955)	RICE	100% (142,263,775)	21.55	0.13	1.33	76.99
	CASH	100% (28,121,542)	3.91	0.25	0.95	94.89

Since the government has to make the payments to landlords whether farmers pay or not, some concern is being felt by the government that the percentage of payment delinquencies may increase during the next 7 years. To combat such a trend, the Provincial Government is attempting to improve inspection procedures of crop failures from flood and drought claimed by farmers each year and to strengthen the farm loan program for new owners.

The Provincial Government also promulgated, in August 1955, a set of regulations encouraging advance payments by farmer purchasers. Purchasers who make advance payments will receive a 0.5 percent reduction on that payment. When the sixth installment was due about 461 farmers made such advance payments.



## 5. Kinmen Program

On Kinmen island, the Hsien Government in 1955 had completed a land distribution program started 2 years before. Tillable land already was fairly well distributed and only a small percentage of people owned a larger area than they could keep under the land reform program. Under the program, the Kinmen Hsien Government has:

- (1) Purchased 1,909 shih mow of private tenanted lands out of a total of 8,069 shih mow of private cultivated land on the island (one shih mow equals 0.0667 hectares or 0.164 acres);
- (2) Distributed the above lands among 959 tenant farmers without cost to them;
- (3) Paid a total purchase price of NT\$774,636 to 610 landlords for the 1,909 shih mow of tenanted lands.

Of the NT\$774,636 purchase price, about 75 percent was paid in cash to landlords and 25 percent was deposited in the local court pending claim by landlords. Of the total compensation, about 62 percent was paid to resident landlords and 38 percent to absentee landlords, mostly in Southeast Asia countries.

Also completed in Kinmen was a farm economic survey of 8,000 farm families. The survey will be used as a basis for developing new farm programs to be started after the reform. The survey results are being tabulated.

## 6. Progress Tenancy Reform

Tenancy reform was continued in both Taiwan and Kinmen during fiscal year 1956.

In Taiwan, rent control was renewed on 100,000 hectares of farm lands retained by landlords after the 1953 Land-to-the-Tiller Program. The original controls had expired at the end of 1955. Members of the 431 farm tenancy committees in 319 townships and 22 hsien and cities whose term expired at the end of 1955 were elected.

On Kinmen, a rent control program was started on the private tenanted lands where rental rates were customarily determined by private agreements and not by law. These programs were completed in fiscal year 1956.

## 7. Renewal of Rent Contracts

The rent lease renewal program in Taiwan was started in December 1954. It was completed in September 1955.

The program involved renewal of some 200,000 expired lease contracts on 100,000 hectares of private tenanted lands for another 6 years or until 1960. After the contracts were renewed, tenant farmers continue to pay rent at not to exceed 37.5 percent of the total annual main crop yield. At the end of 1955, the Land Bureau announced the following achievements:

- (1) Of a total of 199,108 farm lease contracts involving 101,684 hectares, 149,873 contracts for 81,551 hectares were renewed.
- (2) The 31,659 lease contracts involving 23,480 tenant farmers and 11,208 hectares of tenanted lands, which had not yet expired, remained in force.
- (3) The government terminated 12,966 expired lease contracts involving 5,779 hectares of tenanted lands and the lands were taken back by landlords.
- (4) The tenure of 5,585 lease contracts involving 3,146 hectares of farm lands was under dispute in the local courts.

(4) Rigid restriction was put on free termination of the lease by landlords;

(5) Tenants were given the right to renew leases after expiration.

Both landlord and tenant signed a new government-issued lease form in triplicate with one copy each to be kept by landlord tenant and the local government. Under the program, a total of 3,466 lease contracts involving 6,143 shih mow of private farm lands were signed by 2,774 landlords and 2,793 tenant farmers. These leases are effective for 6 years, from August 20, 1955 to August 19, 1961.

The rent regulation program in Kinmen apparently was beneficial to and welcomed by the tenant farmers for two reasons:

(1) It provides tenure security in a manner which practically guarantees permanent right of cultivation on the land they have leased;

(2) The new rental rate - not exceeding 8 percent of the assessed land value - amounts to only one-seventh of the total crop yield, far lower than the original rates or the 37.5 percent rate paid by tenants in Taiwan.

#### 10. Land Use In Marginal Areas

The development of Taiwan's farm economy often has been limited by one important factor, the shortage of new lands for agricultural expansion. Irrigation and drainage programs undertaken by the government and JCRR to make lands more productive for agriculture have helped meet this problem. No attempt was made until recently, however, to promote better use of marginal lands already accessible within crop and forest areas.

Taiwan has about 19,000 square kilometers of such marginal lands. From a conservation and land-use point of view, these lands should be classified and used strictly according to their different land-use capabilities. Due to population pressure during the last several decades, however, they have been used as subsistence farms producing rice, sweet potatoes, tea, banana, pineapple or other crops.

Net results of such misuses were several: Forests were destroyed, floods became worse, soil eroded away and good farms were ruined. This kind of land use has threatened the good lands already in existence and menaced the natural resources of the island.

To deal with the situation, JCRR and the government had started in 1952 an island-wide survey under which all marginal lands below 1,000 meters of altitude were surveyed and classified according to land use capabilities. Before the close of fiscal year 1956, out of a total of 19,000 square kilometers of marginal areas on the island, 11,700 had been surveyed and classified. However, physical survey serves only as the first step to remedy the situation.

As the second step, JCRR last year instituted an investigation of the human and institutional factors underlying the misuse of the vast marginal areas as a basis for working out remedial measures. This land use adjustment program was to be started gradually by areas. It was conducted on the basis of the land use capability survey with cooperation of the local government.

The first area selected for the program is the Nantou-Changhua area in Central Taiwan. Under the project, a marginal area of 40,200 hectares which should not be used as farms but were infarm use and vice versa were located. The 15,000 farm families on this land were interviewed to find out why these lands were in such use and what kind of measures would correct the misuses. The investigation covers a number of items including land tenure, land ownership, land use, farm population, farm income, rural industry and related matters.



This land use adjustment project, started in April 1956 as an experiment, will be completed in January 1957. Nine months were scheduled for completion of the field survey. The field data then will be analyzed and corrective measures considered. In the first 3 months of the field survey, the following facts have been found:

(1) Most farm lands in this area were publicly owned. Serious erosion has started on both public and private farm land. Some of the eroded farms have been deserted.

(2) Most private land was tilled by owners including those sold under the land reform program. Tenants tilled only a small area.

(3) Public lands in this area were owned by the Taiwan Forest Administration or the hsien or hsiang/chen governments. Part of the Forest Administration land has been reforested once a program was started in 1951. Large areas of land owned and sold while a small part was reforested. Little land was owned by hsiang/chen offices and most of it was leased to farmers for cultivation. The lands which were leased and sold were originally forest lands, pasture lands and wild lands. Squatters first deforested then leased them and finally bought them from the government. This process from deforestation to lease or sale is still going on in this area at present.

(4) Most farmers were aware of the problem of marginal lands and their misuse. They were interested in having their lands bench terraced. However, the degree of interest varies with their status. Farm owners showed more interest than farm tenants.

(5) While most lands in this area are still being misused, the Forest Administration in 1951 started to regulate land use by reforestation through lease on those areas which should be reforested. On lands owned by other government agencies, however, no regulatory measures existed. Reforestation on land owned by hsien and hsiang/chen governments was not effective.

(6) The attitude of farmers in this area toward reforestation varied with the slope and size of their holdings. Farmers were more willing to reforest lands with greater slope than lands with less slope. Farmers tilling more than 2 hectares were willing to reforest a part of their holdings and to use the other part as a subsistence farm. Tenants usually were not willing to reforest their farms.

By June 1956, about 9,000 hectares of lands had been investigated and 2,000 farm families interviewed. The project will be extended to other marginal areas if the technical methods and procedures prove successful.

#### 11. Land Administration

Several activities designed to improve land records and management were continued the past year by the Chinese Government with JCRR assistance. These projects included additional fireproof storage facilities for land records, compilation of new land tenure statistics and modernization of land title records.

#### 12. Storage for Land Records

To relieve the space problem and provide safe storage for land records in the local governments, JCRR has assisted during the past 2 years in the construction of 32 new land record storages in 32 hsiang/chen.

Since most of the 59 land offices in Taiwan need new storage facilities, JCRR and the local governments in 1956 rebuilt 11 storages. Local governments provided one-third of the construction cost of three storages and one-half of the construction cost of the other eight storages. JCRR provided the balance.

Construction will be completed before December 1956. After completion, the number of new storages built with JCRR assistance will total 43. In fiscal year 1957, a proposal will be made to complete the storage construction program in Taiwan.

### 13. New Land Tenure Statistics

The Provincial Land Bureau, the 22 local governments and JCRR in 1955 cooperated in compiling new land tenure statistics based on the land tenure conditions after the 1953 land reform. These statistics include four parts: land cadastre, private land, public land, and farm tenancy.

These up-to-date statistics will provide unified and accurate land data for planning, administration and general use. Completion was originally scheduled for February 1956. However, the introduction of the urban land reform program in 1956 interrupted the working schedule and delayed its completion.

At the close of fiscal year 1956, only the first two parts of the statistics were finished. The compilation work will be resumed after June and will be completed in December 1956.

### 14. Land Title Records

Taiwan's land title record was made by the Japanese in book form. It was first improved in 1950 under the landownership classification program when the records were transcribed from land titled books to about 5,000,000 index cards in loose-leaf covers. This improvement was made to facilitate the operation of the land-to-the-tiller program and to modernize the original land registers.

In 1953, the Provincial Land Bureau, with JCRR financial help, printed a second set of the index cards to use in revising the first set. This second set, consisting of 4,570,000 land cards and 1,338,000 ownership cards, was compiled with government funds and completed by the 22 local governments in December 1955. This brought the process of modernizing the island's land title records to completion.

The Provincial Land Bureau has raised funds to purchase file cabinets to hold the cards and the 59 land offices will be so equipped by the end of 1956. After that, the Provincial Government will adopt the new cards as official land registers.

### 15. Urban Land Reform

The urban land reform program started in 1956 is of special interest because of its possible effects on the general economy of Taiwan. JCRR is not participating in this program since it is not within the field of agriculture.

During recent years, two developments were noted in Taiwan. The first was the continuous population increase and the other was surplus money in the urban areas after land reform. These two developments, coupled with the growth of industry and commerce, have brought a steady rise in land values in city areas. As a result, a land boom was created, urban lands became a profitable investment, land prices went skyhigh, lands became concentrated among fewer owners and the housing problem grew more acute. These developments have made life difficult for many city people.

The Chinese Government launched in 1955 an "Equalization-of-Urban-Land Rights Program" in the 61 most developed urban areas. The philosophy behind the program was to take away, through taxes, the unearned increment from land value in urban areas which resulted from social progress rather than from private efforts,



To achieve this purpose, the Legislative Yuan of the Chinese Government enacted on August 26, 1954 and June 1, 1956 respectively laws called "Equalization of Urban Land Rights Act" and "Regulations Governing the Issuance of Urban Land Bonds". The Act authorizes the government to enforce the program through the following steps:

- (1) To re-assess according to market price the land value in those urban areas where city planning and zoning programs had been in force and to have owners declare the value of their lands.
- (2) On the basis of the owner-declared value, the government shall levy three kinds of land taxes: The land value tax, the land value increment tax and the vacant land tax, on a progressive scale.
- (3) Landowners who hold urban land whose assessed value exceeds the average assessed value of 0.1235 acre shall pay land value tax from 1.5 percent up to 6.5 per cent of the declared value of the land. Sellers of urban lands shall pay a land value increment tax ranging from 30 percent of the natural increment up to the total amount of the increment. The tax applies to increased value of land only, not to total value of land and buildings. Owners of vacant lands shall pay vacant land tax from 3 to 10 times the amount of the land value tax.
- (4) If an owner declares his land value too low in comparison to the assessed value, the government may purchase that land with government-issued land bonds redeemable in five annual installments at 4 percent annual interest.
- (5) Absentee landowners shall pay a land value tax twice the amount payable by resident owners.
- (6) Owners of vacant lands exceeding 0.04 acre in urban areas shall be required to sell the excess portion within 2 years or the government may purchase it with land bonds if the owner does not sell.

The urban land program was started in September 1954. Its main phases include: (1) Investigation of land value, (2) Appraisal of land value, (3) Government announcement and owners' declaration of land value and (4) Levying of new land taxes. By June 1956, the first three phases of the program were completed. A total of 18,756 hectares of urban lands in 61 urban areas were investigated, appraised and put under the program. An initial amount of land bonds, not exceeding NT\$30,000,000, will be issued for program use. The levy of new land taxes will begin after July 1956, the land value tax on August 1, and the land value increment tax on September 1.

As fiscal year 1956 drew to a close, a general decline in land values in urban areas was noticed. Definite effects, however, will not be clear until after new land taxes have been levied.

#### Chapter VIII. Survey on Marginal Land Use And Land Inheritance System (July 1956 - June 1957)

Land reform programs of both the Chinese Government and JCRR continued in FY1957. The government collected and made land price payments, made the second check of new owners and prepared the land reclassification program. JCRR efforts included completion of land record storage construction, implementation of a land inheritance survey, continuation of the marginal land use adjustment and release of a new and comprehensive set of land tenure statistics after the 1953 land reform.

In Kinmen, JCRR assisted the local government in distributing arable public land to needy farmers as the last phase of land reform there.

## 1. Land Record Storage

To provide safe storage for land records in local governments, JCRR assisted during FY1957 in construction of 10 land record storages, thus bringing the total number constructed with subsidies from JCRR in the past four years to 53. Total construction cost amounted to NT\$3,282,806 including NT\$2,484,454 subsidized by JCRR and NT\$798,352 contributed by the government.

With a total space of 1,106 ping (nearly 40,000 square feet), these 53 new storages are considered sufficient to meet requirements of the various land offices on the island. Problems to be faced by local governments are adequate maintenance of new storage and management of land records.

JCRR has also helped the Kinmen hsien government and Fukien provincial government build a land record storage each on Kinmen island and in Hsintien township of Taipei hsien.

## 2. Inheritance System

From the survey of new owners made by the Provincial Land Bureau in 1954 with JCRR support, it was found that, because of the Chinese inheritance system, new holdings had been inherited by persons who had no ability to farm and that through this process of fragmentation, more small owners and uneconomic farms were created.

JCRR approved in November 1956 a sampling survey of 1,079 cases of land inheritance in 33 selected townships covering the 1952-1955 period to explore this problem as a follow-up after land reform. The survey, conducted in cooperation with the Chinese Institute of Land Economics, was completed in April 1956. While the final report will not be ready until November 1957, preliminary analysis has produced the following important findings on the land inheritance system in Taiwan:

(1) Inheritance of farm land among prospective heirs in rural Taiwan either takes place through arrangement of the owner before death or by mutual agreement among heirs after the owner's death. Disputes from such practices have been few and rarely is a will written.

(2) When many successors inherit a small piece of land, some who can not till may give up their share by agreement. Females often give up their right of inheritance. Exception exists only when they will remain single all their life, or when their husbands are married into the family.

(3) In principle, the real property is equally divided among heirs on the same line of succession, but the eldest and unmarried heirs usually get larger shares than the younger or married ones.

(4) After inheritance takes place, the successors may either operate the holdings under joint ownership or assume the ownership of their respective portion following registrations with the government. In the former case, the farming expense incurred will remain about the same as that before inheritance, but there will be disputes arising from labor supply, different family sizes and other problems among the successors which eventually will call for the disruption of the joint ownership. In the latter case, farm units will become smaller, farming will become more intensive and more farming expenses will incur to individual successors because of additional farming equipment and draft cattle.

(5) When successors are too young to till the holdings, they usually ask other successors or relatives to till for them or to assist them in the cultivation. Some successors also hire farm hands to till for them or rent out their holdings to tenants.



(6) While the existing regulation requires that non-farming heirs should give up their share in the inheritance of holdings acquired from land reform with certain compensation, many such cases were found in the survey.

The survey reveals that, although the ever-growing population has been the main cause for the development of uneconomic holdings and the fragmentation of family farms on the island, they are brought about primarily through the medium of the prevailing land inheritance practices. How to slow down this trend in order to reconcile it with the land reform policy remains a task for the government to perform.

### 3. Post-land Reform Tenure

To provide unified and accurate land data for planning, administration and general use, JCRR initiated in May 1955 a project for the Land Bureau to compile land tenure statistics in Taiwan based on the land tenure conditions after the 1953 land reform. These new statistics were completed in April 1957. They show the following land tenure patterns in the registered area on the island as of June 1955:

**Land Area And Cultivated Area.** Of the total land area of 35,961 square kilometers (14,000 square miles) on the island, 74% was public land and 26% private land. There were 870,000 hectares (2,150,000 acres) of cultivated area, of which public land occupied 22% and private land 78%. Area of upper medium grade paddy field (from 7th to 12th grades) accounted for 64% of the total paddy area and that of medium grade dry land (from 13th to 18th grades) 46% of the total dry land area.

**Increase in Area And Plots of Cultivated Land.** From June 1952 to June 1955, cultivated area on the island increased from 854,918 to 866,598 hectares (2,111,647 to 2,140,497 acres), an increase of some 11,600 hectares (29,000 acres). Number of plots jumped from 2,284,337 to 2,751,894 in the period, an increase of some 460,000 plots.

**Increase of Land Owners and Owner Farms.** During the period, number of private land owners increased from 610,000 to 790,000 and the ratio among owner farmers, landlords and part-owner part-landlord was changed from 71-12-17 to 87-6-27. On some 680,000 hectares (1,680,000 acres) of private cultivated area on the island, the ratio of areas under tenancy and owner-operation was also changed from 38-62 to 1486.

**Decrease of Large Owners And Tenant Farmers.** Of the total 610,000 landowners in June 1952, 5,051 were large landowners with generally more than 10 hectares (25 acres). In June 1955, while total of landowners increased to 790,000 large landowners dropped to 1,516. The registered number of tenant families was also reduced from 302,000 to 156,000 in the period, tilling a total tenanted area of 93,700 hectares (231,000 acres). Of these tenant families, 84% had less than one hectare ( $2\frac{1}{2}$  acres).

**Classification of Owners By Holding Size.** Of some 790,000 land owners in June 1955, 73% owned less than one hectare ( $2\frac{1}{2}$  acres); 18% one to two hectares ( $2\frac{1}{2}$  to five acres); 5% two to three hectares (five to  $7\frac{1}{2}$  acres) and 4% more than three hectares. Of their total holdings of 680,000 hectares, (1,680,000 acres), the distribution was 35% in the first group, 28% in the second, 14% in the third, and 23% in the last group.

**Holdings Under Joint Ownership.** In June 1955, the ratio among the three types of individual, joint and corporate land ownership was 60-38-2 and that among their respective areas was 60-37-3. Of some 300,000 holdings under joint ownership, 82% were owned by two to five persons; 17% by six to 20 persons and 1% by more than 20 persons including 20 holdings owned by more than 100 persons. Average size of holdings of some 1,000,000 joint owners was 0.3 hectare ( $\frac{3}{4}$  acre), and in case of holdings jointly owned by more than 20 persons, the average was about 0.07 hectare (about  $\frac{1}{6}$  acre).

Public Cultivated Land. Of the 189,000 hectares (467,000 acres) of public cultivated land on the island in June 1955, 23% was owned by the Central government, 20% by the Provincial government, 44% by the Central and Provincial governments jointly and 3% each by the prefectures and townships. Ownership of the remaining 7% was not fixed because titles had not yet been registered.

#### 4. Land Use in Marginal Areas

During FY1957, 40,200 hectares (almost 100,000 acres) of marginal land and 15,000 farm families in eight townships of Nantou hsien were investigated regarding the causes of misuse of this land. At the close of the year, another project was approved by JCRR to extend the investigation to 15,000 more hectares (37,000 acres) of marginal land and 7,600 more farm families in another five townships of the hsien.

Following completion of statistics for the surveyed areas in Chungliiao township—the first township surveyed under the program—which covered 8,540 hectares (22,000 acres) of marginal land and 3,160 farm families, a report was released by the Nantou hsien government which contains these major findings:

Distribution of Marginal Land By Class. Of the 8,540 hectares of marginal land investigated in Chungliiao township, about 92% belong to 7th class and about 8% belong to 6th class.

Ownership Of Marginal Land. Of the total of marginal land, 77% is public land and 23% private land. About 53% of the public land is owned by the Central government, 40% by the Provincial government, 5% owned jointly by the Central and Provincial governments and 2% by the township office. Of the total, 60% is under the jurisdiction of Nantou hsien government, 36% under that of the Taichung Forest District Office and 4% under township office and other government agencies. Of the private land, 58% is individually owned, 35% jointly owned and 7% owned by corporate bodies.

Use of Marginal Land. About 82% of marginal land in the township is used as follows:

Paddy field .....	3%
Orchards .....	14%
Dry land .....	33%
Forest .....	32%

Tenure Conditions of Marginal Land. Of the 6,620 hectares (16,350 acres) of public land in the township, 15% was sold to farmers, 10% leased for cultivation, 18% leased for reforestation, and 22% is occupied by squatters. The remaining 35% is under reforestation or administered by the government. Most private land is tilled by owners and only about 100 hectares (250 acres) be tenants. Of the 3,160 marginal land users, 34% are owner farmers, 29% tenant farmers, 19% part-owners and 18% squatters.

Size of Holdings of Marginal Land Users. Of the 3,160 farm families using 6th and 7th grades of marginal lands in the area, each tills about two hectares (five acres) on the average. The distribution of users by size of holdings is as follows:

Farm Size (1 hectare = 2.47 acres)	Percentage of Family
Below 0,5 hectare .....	19%
1.5 - 1 hectare .....	18%
1 - 2 hectares .....	28%
2 - 3 hectares .....	16%
3 - 5 hectares .....	13%
Over 5 hectares .....	6%



Profession of Marginal Land Users. Of the total of families using marginal land, 1,040 are engaged also in other professions such as farm hands, civil servants, teachers and peddlers, while the remaining 2,120 till the land as their only source of income.

Interest of Marginal Land Users in Bench Terracing. Most farmers in the marginal area are aware of the seriousness of soil erosion and therefore show interest in benching their eroded farms. However, their interest varies with their status. The field survey shows that 40% of the farmers show interest in terraced farming, most of whom are owner farmers or tenants on public land. Those who did not express their opinion are mostly squatters, those whose holdings are very small, or whose land is under reforestation.

#### 5. Land Distribution in Kinmen

Following completion of the purchase of private tenanted farm land to establish owner-farmers and improvement of the tenancy system in Kinmen, JCRR further assisted the local government in FY1957 in implementation of public farm land distribution, the third phase of land reform for that island. Major purposes of this project are to stimulate agricultural production by increasing cultivated acreage and to help resettle part of the local farming population whose homes and farms have been devastated by communist bombardments.

The hsien government promulgated on January 12, 1957, "Regulations Governing the Distribution of Public Farm Lands to Establish Owner-Farmers in Kinmen Hsien, Fukien Province" to facilitate distribution of public farm land. Main points are:

- (1) All public land on Kinmen which can be cultivated shall be distributed to farmers free of charge.
- (2) The maximum area to be distributed to each farm family shall be 10 shih mow (slightly more than  $1\frac{1}{2}$  acres) of the fifth grade.
- (3) To insure actual cultivation of the land received, land ownership certificate shall not be issued to the applicant until after he has tilled the land for two successive years.

A preliminary estimate shows approximately 29,000 shih mow (4,750 acres) of public land on the island, part of which has been used for constructing military roads, forestation and other purposes. To implement this project, field workers were sent by the hsien Land Office and township and village offices in April 1957 to check and clear the status of such land and to fill in application forms for farmers. As of June 1957, a total of 58,251 plots of public land were checked and applications were received from 4,119 farm families for 11,484 plots or 9,198 shih mow (1,510 acres) of such land. Actual distribution will be made after July 1957.

#### Chapter IX. Experimental Consolidation of Fragmented Agricultural Lands (July 1957 - June 1958)

JCRR land reform activities during the past year included: (a) completion of the land use adjustment project in Nantou Hsien (b) completion of a land inheritance survey in 32 chen, (c) implementation of a farm land regradation experiment, and (d) development of a demonstrational project on farm land consolidation.

On Kinmen Island, JCRR assisted the local government in distributing some 1,500 acres of public arable land to local farmers.

## 1. Marginal Land Use Adjustment Survey

The marginal land use adjustment survey aims at restoring the natural productivity of land which lies in between crop and forest areas and which has not been properly used by the farmers. During the past year, JCRR completed the investigation of the tenure conditions on more than 50,000 hectares of marginal land in Nantou hsien with a view to formulating methods for adjusting its use. The investigation covered (a) first to fourth classes of marginal land used as non-farms, (b) fifth to sixth classes of marginal land and (c) seventh class of marginal land used as non-forest land. Preliminary findings of the investigation were as follows:

(1) Of the 50,000 hectares of marginal land investigated, two-thirds are public land and one-third privately owned.

(2) The Taichung Forest District Office and Nantou Hsien Government are the largest owners of the public land. Next come the chen offices, National Taiwan University and local farmers' associations. The private land is owned either jointly or individually.

(3) Land owned by the Nantou Hsien Government includes the following types: (a) land occupied by squatters, (b) land cultivated by farm tenants, (c) land leased for reforestation, (d) land purchased by tenants under land reform law, and (e) special reservations. Land owned by Taichung Forest District Offices is mostly leased to farmers for reforestation. Land owned by other government agencies is cultivated by tenants and squatters.

(4) The rental rates on public land were all set at 25 percent of the crop yield. However, only 70 percent of the rent due were actually paid by the lessees. The amount of rent collected from land owned by government agencies other than the hsien government was even less.

(5) The prospect of the reforestation work on leased land seems quite promising. It has attracted interest of local people and former landlords. However, since most of these lands have been occupied by squatters, disputes often arise between the local people and squatters after they were leased for reforestation.

## 2. Analysis of Land Inheritance System

The land inheritance survey undertaken by JCRR during fiscal 1957 was completed recently. The survey covered 1,079 land inheritance cases during the period from 1952 to 1955 in 32 chen located in six hsien of Taoyuan, Yilan, Taichung, Tainan, Kaohsiung and Hualien. Of the total, 197 cases which involve the aborigines in Hualien hsien were dealt with separately. The analysis over the remaining 882 cases in five hsien reveals the following:

(1) The 882 land inheritance cases involve 882 deceased persons and 3,510 successors with an average of 4 successors in each case. About 1,777 successors waived their right of inheritance, leaving 1,733 as actual successors with an average of two successors in each case.

(2) Of those who waived the right of inheritance, 89 percent were female successors of whom about 20 percent have received gift from the actual successors. Of the actual successors, 90 percent were male.

(3) About 1,110 hectares of land were inherited in the 882 cases with an average of 1.25 hectares in each case. Persons who left holdings below the size of 0.5 hectare constitute 30 percent of the total and those with holdings between 0.5 and 1 hectare, 24 percent. Of the 1,733 successors, each inherited an average holding of 0.65 hectare. Those who inherited land below 0.5 hectare constitute 56 percent and those who inherited land between 0.5 and 1 hectare, 21 percent.



(4) Of the 882 deceased, 7 percent were landlords and 93 percent owner farmers. Of the 1,733 successors, 4 percent were landlords and 96 percent owner-farmers. The 1,660 owner-farmer successors form 1,351 households and cultivate an average of 0.9 hectare.

(5) If the successors are non-tillers, they are apt to entrust the inherited holdings to others for cultivation or to till it by hired labour. About 8 percent of the successors till the land through trusteeship.

(6) Among the 4,780 plots of land inherited, about 1,000 plots have changed their ownership from single to joint as a result of inheritance. These plots were not registered as divided plots but were mostly sub-divided among the joint owners.

The above analyses show that the waiving of inheritance by female successors may reduce farm fragmentation but will not check it entirely. They also show that inheritance of farm holdings by non-tillers produced ill effects on the land tenure system on the island.

### 3. Farm Land Regrading Experiment

The farm land classification in Taiwan has been used as the basis for levy of land taxes and for determining rights and obligations of the landowners and land users. It also provides the technical basis on which the amount of land rent and land value under the land reform program was determined. During the Japanese occupation, re-adjustment of the land classifications took place every ten years. The fourth or the latest re-adjustment program was begun in 1942 and completed in 1944. In 1950, a selected re-adjustment program was carried out by the government but it did not cover the whole farm land area. The latest data show that the total area of farm land upon which re-adjustment of land classification has been requested by landowners has reached 120,000 hectares. Other data also show that some 90,000 hectares of irrigated areas have been increased and irrigation facilities on some 400,000 hectares of farm land have been either improved or restored. These figures show clearly the need for re-adjustment of land classifications.

To prepare for the eventual implementation of a re-adjustment program, JCRR approved in fiscal 1957 an experiment project to regrade the farm land classifications in four chen of Chungli, Yangwei, Peitch and Pingcheng in the Shihmen area. The project started in December 1957. A total of 18,000 hectares of both paddy field and dry land are being investigated for experiment purpose. It has so far brought to light the following situations:

(1) Reclaimed low grade dry lands changed into paddy before 1944. Since then, soil fertility was improved and productivity increased. Such classifications therefore should be readjusted.

(2) New irrigation facilities have benefited some dry lands, making it necessary to raise the grade of the land. However, there are also lands where supply of irrigation water has become less as a result of the construction of new irrigation facilities. Lands in these areas should be down-graded.

(3) In some areas, the land grade was re-adjusted in 1944. Their existing grades, however, seem still higher or lower than what they should be. There are two reasons: (a) Landowners deliberately graded these lands higher when registering with the government because they want to sell or mortgage these lands at a higher price, (b) field workers made mistakes in grading these lands during 1944 re-adjustment.

(4) Grades of public lands are generally higher than those of private land.

(5) Most of the changes in land classifications occurred in the sub-urban areas where farm lands were used for building purposes. They also took place in areas where dry land became paddy field as a result of the construction of new irrigation facilities. But land owners in these areas often failed to report such changes to the government for fear of heavier tax on irrigated land.

#### 4. Farm Land Consolidation Demonstration

For solving the problem of farm fragmentation, JCRR selected two areas in Tainan Hsieh and Pingtung hsien to demonstrate a land consolidation program. The area in Tainan hsien is a private one. It covers 188 hectares in 767 pieces of fragmented paddy field and dryland owned and tilled by 342 landlords and farmers. The area had been partly consolidated during the Japanese occupation but the scheme was not followed up later. The area in Pingtung hsien is publicly owned. It covers 291 hectares in 4,500 parcels tilled by 747 farm tenants. The consolidation procedures to be applied to these two areas will consist of the following steps:

(1) New agricultural roads and service lanes will be built in the area in coordination with their irrigation and drainage scheme. Land required for building such roads and canals will be provided by the landowners.

(2) All farm plots in the area will be pooled and rearranged into a number of plots of different sizes on the basis of the total area of the original holdings of each land owner, topographical conditions and the irrigation scheme. The size of the consolidated plot will not be smaller than the original farm plot.

(3) Consolidated farm plots similar in size or productivity to the original holdings will be re-allocated to the owners. Plots smaller than a fixed minimum size will be eliminated in the process of consolidation and instead cash payments will be made to the owners as compensation.

(4) After consolidation, the areas will be re-cadastrated and steps will be taken to make sure that the consolidated holdings will not be further sub-divided.

JCRR has approved an investigation project for the two areas and a demonstration project for the Tainan area where preparatory work has been completed. The investigation was completed and the implementation work will start in fiscal 1959.

#### 5. Distribution of Public Land in Kinmen

On Kinmen Island, JCRR assisted in the distribution of public land in fiscal 1958. The program was started in January and completed in September 1957. Applications from farmers were first screened by the hsien land office and the Kinmen Owner-Farmers' Promotion Committee and then approved by the Kinmen Hsien Government. From July 19 to August 8, "Land Distribution Lists" were announced for public inspection. After that the distribution was considered as complete and certificates were issued to applicants.

Under the program, 9,162 (1,509 acres) out of 29,002 shih mow (4,788 acres) of public lands were distributed to 4,415 farm families. The remaining portion will be released to needy farmers upon request.



Chapter X. Experimental Re-classification of  
Agricultural Lands  
(July 1958 - June 1959)

1. Problems of Farm Fragmentation and Land Reclassification Tackled

Taiwan was left with many agricultural problems after it was restored to China. Those problems included a concentrated land ownership, a large tenant population, a high and exorbitant land rent and an insecure farm tenure. To improve these agricultural defects, JCRR has during the past decade assisted the government in carrying out a series of land reform measures. These measures include the implementation of the 37.5 percent farm rent reduction in 1949 which reduced exorbitant rentals to a uniform rate of 37.5 percent of the harvest on 260,000 hectares of private tenanted lands and benefited 300,000 tenant families; the sale of 71,000 hectares of public cultivated land from 1951 to 1957 which made 139,000 tenant families owners of these lands; the implementation of the land-to-the-tiller program in 1953 which transferred 143,568 hectares of private tenanted lands to 194,000 tenant families for ownership; and the introduction of a number of supplementary programs during the period. These reforms have helped in agricultural progress, revitalized rural economy and improved social and economic life of farmers in Taiwan.

During fiscal 1959, JCRR helped the government complete two land projects to tackle the problems of farm fragmentation and land reclassification. These projects were the demonstration of consolidating fragmented agricultural holdings and the survey of out-dated agricultural land classifications.

With rapid increase of population, continuous development of agriculture and slow progress in industrialization, the number of Pi \* on Taiwan's 870,000 hectares of farm lands has increased from 228,000 to 275,000, or an increase of 20 percent, after the completion of the land-to-the-tiller program. The farm fragmentation is serious and may go far in development. To solve the problem, JCRR selected in fiscal 1958 two areas in southern Taiwan to experiment the consolidation of fragmented agricultural holdings.

In one area, Tachia in Tainan hsien, the project was carried out by the hsien government with JCRR assistance and together with a pumping irrigation program. The first step was the completion of the irrigation works. Then came the building of agricultural roads designed in coordination with irrigation and consolidation scheme. After that, old farm plots were pooled and consolidated into new plots in rectangular shape. Then these new farm plots were re-allocated to land owners. Finally all the land owners came together to make or receive compensation among themselves for lands gained or lost during consolidation.

2. 188 Hectares of Farm Lands Consolidated Under Tachia Project

The Tachia project was completed in February 1959. In the process, 13 agricultural roads of a total of 10,600 meters were built, 672 new farm plots were created, the new plots were re-allocated to 255 landowners, and NT\$490,000 was distributed as compensation among the owners. For the 188 hectares of farm lands consolidated under the project, the average cost of consolidation is NT\$500 per hectare not counting the construction cost of agricultural roads.

The consolidation project has accomplished the following:

(1) It has brought 21 percent more of the farm plots to connect with roads, making a total of 41 percent of farm plots connected with roads as compared with 19 percent before consolidation, by building 150 percent more new agricultural roads.

\* Pi is the smallest land unit used in cadastral management. It represents a plot or several adjoining plots of land of the same category and grade and belonging to the same owner.

(2) It has reduced 767 farm plots in irregular shapes to 672 plots in rectangular shape, a reduction by 12 percent, out of which 311 plots below 0.2 hectare size were reduced to 155 plots and 26 plots below 0.03 hectare size were reduced to 3 plots. It has also increased the number of plots of sizes between 0.2 and 0.3 hectare from 284 to 370.

(3) It has consolidated individual land holdings of 67 families scattered over from 2 to 9 places into the following: land of 39 families consolidated into one place, land of 24 families into 2 places, and land of 4 families into 3 places.

(4) It has created about four hectares of new farm lands for cultivation by eliminating about 10,000 out of 100,000 meters of old farm footpaths and levelling down all waste ditches and unnecessary agricultural roads and converting them into farms.

(5) It has saved a substantial amount of cost for purchase of lands for building irrigation channel and agricultural roads. Under the irrigation project, an area of 10 hectares of lands should be acquired for building irrigation channel while under the consolidation project another four hectares of lands should be acquired for building new agricultural roads. Since the two projects were implemented at the same time, these lands were contributed by landowners. This has saved: 1) the local government from paying NT\$400,000 to purchase land for building agricultural roads, 2) the Chianan Irrigation Association from advancing another NT\$400,000 to purchase land for building irrigation channel, and 3) the Association from performing a complicated and time-consuming procedure in acquiring the land required.

The Tachia project as a whole has demonstrated that consolidation of agricultural holdings which was generally considered as a difficult program to carry out could now be worked out and implemented in Taiwan without technical difficulty and with full cooperation of farmers.

### 3. Farmland Classification in 1944 Has Become Outdated

As a result of improvements made continuously in land use and irrigation facilities, the classification of farm lands in Taiwan has gradually become outdated since 1944. As the first step to readjust the outdated classifications, JCRR assisted the Provincial Land Bureau in making a fact-finding survey of the land classification changes on 2.75 million pi of farm lands all over the island. The survey covering an area of 315 hsiang was carried out by some 200 field workers who investigated every piece of farm land affected by irrigation factors. After seven months of work, the survey was completed in March 1959.

The survey divides those farm lands affected by irrigation factors into two major categories:

(1) Area where land classifications (including land type and land grade) have undergone obvious changes due to changed irrigation factors, totals 52,400 hectares:

(a) Area where land type should be readjusted because the land has changed from dry land to paddy field with the installation of new irrigation facilities ... 18,600 hectares

(b) Area where land grade should be re-adjusted because productivity has been raised as a result of the installation of new irrigation facilities ..... 31,500 hectares

(i) Change from weather-depending field to double-cropping paddy field ..... 9,400 hectares



(ii) Change from single-cropping paddy field to double cropping paddy field ..... 7,800 hectares

(iii) Three-year rotational field improved .... 6,600 hectares

(iv) Increase of productivity on other irrigated lands ..... 7,700 hectares

(c) Area where land grade should be re-adjusted because productivity was affected by lack of adequate maintenance of the existing irrigation facilities ..... 2,300 hectares

The above area equals one-tenth of the total irrigated area of the island. However, it does not include: (1) those areas where land productivity was raised but not yet to such an extent as compared with that of the adjoining areas as to justify readjustment and (2) those areas where land was irrigated by water pumps but the local farm irrigation associations have no affiliation with or knowledge of such irrigation facilities.

(2) Area where land type and grade have undergone obvious changes due to other factors, totals 19,200 hectares:

(a) Area where land productivity was raised because of new windbreak forest planted ..... 1,200 hectares

(b) Area near urban centers where use of land has been shifted from farming to building ..... 1,000 hectares

(c) Area where lands have been leased and reclaimed into farms but not yet registered with the government ..... 17,000 hectares

#### 4. Survey Shows Classification Changes on 71,600 Hectares

The above two categories of farm land where classification changes have taken place total 71,600 hectares. The classification of these farm lands were found to be justified for readjustment.

Completed at the same time under the project was the reproduction of 28,000 sheets of land cadastral maps of different scales and the explanations made on them for field use.

On the basis of the above survey, three ways to readjust the outdated land classification have been proposed:

(1) A program which will first establish an automatic re-adjustment system for those areas where land classification changes have taken place and then proceed on an overall reclassification.

(2) A program which will make an overall reclassification of all the farm lands first and then establish an automatic readjustment system to readjust changes which occur later.

(3) A program which will take care of both tasks at the same time.

One of these proposals will be adopted by the Provincial Land Bureau.

Chapter XI. Rehabilitation and Consolidation of  
Flooded Farm Lands in Western Taiwan  
(July 1959 - June 1960)

JCRR's land program has changed course during recent years. Before 1955, JCRR's land reform activities were primarily aimed at improving farm land tenure. After that, emphasis has been changed to the promotion of better use of agricultural lands. Toward this new direction, consolidation of fragmented agricultural holdings represents the major goal of JCRR's land reform efforts, together with other efforts in the adjustment of submarginal land use and farm land classifications. In line with this policy, several pilot projects have been implemented at JCRR's initiative. These projects include a survey on the tenure conditions of the submarginal lands in central Taiwan, a survey of the land classification changes on farm lands, and two demonstration projects on land consolidation in southern Taiwan. During fiscal 1960, JCRR assisted the government in undertaking a new land consolidation program under which some 800 hectares of flooded farm lands were consolidated. This ushered in a new chapter of land reform after the land-to-the-tiller program.

JCRR completed in fiscal 1959 a demonstration project of land consolidation in Tainan hsien with success. During fiscal 1960, JCRR assisted the government in introducing a land consolidation program on 817 hectares of farm lands ruined by the disastrous flood of August 7, 1959, in central and southern parts of the province. This program was designed in close coordination with a rotational irrigation program aimed at restoring the irrigation facilities in the area destroyed by the flood. The 817 hectares of flooded farm lands on which consolidation was effected are scattered in nine places from Miaoli down to Chiayi as shown in the accompanying table.

Of the 817 hectares of farm land in these nine regions, 670 hectares are farms. These farms were fragmented into 8,400 plots owned by 1,500 owners. About 20 percent of these holdings were below 0.05 hectare, and 60 percent of the holdings were scattered from two to six places. As a result of the flood, these farm lands were either buried in sand or completely deprived of their top soil. Original landmarks have all disappeared.

1. Government Consolidates Lands During Flood Rehabilitation

Taking advantage of the situation, the government undertook to consolidate these farm lands as a part of the flood rehabilitation program with JCRR assistance. By the close of fiscal 1960, field operation of the program was practically completed. The major accomplishments are as follows:

(1) In the nine regions, a network of 47,000 meters of agricultural roads were built as a part of the consolidation work along with 132,000 meters of new irrigation and drainage canals built under the irrigation program. The roads, the canals, and the farm plots were so arranged to coordinate with each other that 99 percent of the farm plots can be directly irrigated and drained, and 95 percent of the farm plots are directly connected with farm roads.

(2) In the nine regions, 5,500 new farm plots in rectangular shape ranging from 0.1 to 0.15 hectare in size were established for cultivation. In doing this, the original 8,400 plots were reduced by 34 percent and the plot size increased from the original 0.07 hectare to 0.13 hectare.

(3) These new farm plots were distributed to the original land owners by eliminating owners of the excessively small plots on one hand and pooling together all the scattered farm plots owned by one owner on the other. As a result, the number of land owners in these areas was reduced from 1,500 to 1,200. The number of holdings consolidated in one place was increased from 41 percent to 88 percent of the total land plots, and the size of the farm holding of each land owner within the consolidation area was increased from 0.45 to 0.57 hectare.



Major accomplishments of the project are presented in a table on page 116.

## 2. Sheh-pi Consolidation Initiated by JCRR

The land consolidation in the Sheh-pi Area in Pingtung hsien is one of the two pilot projects undertaken in fiscal 1959 by JCRR on its own initiative. The project started operation in January and will be completed in August 1960. The area consists of 270 hectares of publicly owned irrigated lands sub-divided into 2,620 plots to be tilled by 759 farm tenants. By the close of fiscal 1960, field operation had been completed, and the following accomplishments have been made:

- (1) The 2,620 farm plots were reduced to 1,490 plots.
- (2) New rectangular-shaped farm plots of 0.12 and 0.25 hectare sizes were established.
- (3) Number of farm families was reduced from 759 to 705 by eliminating farmers tilling excessively small plots with compensations.
- (4) Scattered farm holdings were concentrated and the plots of the holdings concentrated at one place were increased from 31% percent to 98 percent of the total plots.

The two pilot projects on land consolidation in Tainan hsien and Pingtung hsien and the project on the consolidation of flooded farm land begin to demonstrate the benefit of land consolidation in improving land use and land tenure. The Provincial Government has decided to expand the program on a large scale during the next several years.

With the progress in irrigation and land use, the need of adjusting the classification of farm lands has become obvious and urgent. During fiscal 1960, the Provincial Government selected eight townships to survey the productivity of farm lands as an experiment in adjusting land classifications. To supplement the government's plan, JCRR assisted the Provincial Land Bureau and the eight hsien governments in making a supplementary survey of the land productivity in five of these eight selected townships. The supplementary project consists of surveying unit production in selected points and making a soil survey. The project is carried out jointly by the Food Bureau, PDAF, The Taiwan Fertilizer Corporation and the Provincial Land Bureau.

Under this project, a detailed soil map in compliance with the requirements of land classification will be produced and 1,187 selected points embracing 33,600 hectares will be surveyed to measure the unit production of each survey point. These materials will serve as a part of the basic requirements for planning a province-wide land classification adjustment program by the government. By the close of fiscal 1960, the field operation has been completed, and the data is being processed by the sponsoring agencies.

Accomplishments of Land Consolidation Program  
in Flood Regions, June 1960

Consolidation Region and Locality	Total Land Area (Hectare)	Area and Plots of Cultivated Lands Before & After Consolidation				Conditions of Accessibility and Irrigation of Farm Plots After Consolidation			Consolidation of Scattered Farm Holdings			
		Area (Ha.)		Plots		Plots connecting with roads (%)	Plots directly irrigable (%)	Plots directly drainable (%)	Total No. of land owners (Family)	Owners with holding in one place (%)	Owners with holding in two places (%)	Owners with holding in 3-6 places (%)
		Before	After	Before	After							
Total	817	673	696	8,411	5,546	95	99	98	1,259	88	11	1
Lin-tze-wei Chiayi Hsien	47	41	41	362	263	92	100	94	42	90	10	-
Chia-pao-teng Changhua Hsien	58	53	53	680	374	88	100	100	125	99	1	-
Tien-tou Yunlin Hsien	127	115	113	1,148	771	98	99	99	109	71	29	-
Tou-chuan-tou Changhua Hsien	136	110	107	1,449	719	92	100	100	256	100	-	-
Pao-wei Nantou Hsien	49	34	44	289	304	95	99	99	120	82	10	8
Ai-ma-li Taichung Hsien	111	87	90	1,224	868	99	99	95	152	84	15	1
Ne-hsing Taichung	91	74	76	1,185	753	99	99	97	150	85	15	-
Er-wu Miaoli Hsien	108	83	93	1,208	858	93	99	99	170	97	3	-
Wan-wa Miaoli Hsien	90	76	79	866	636	97	98	97	135	80	20	-



Chapter XII. Long-range Land Consolidation Program  
Worked Out and Launched  
(July 1960 - June 1961)

Agricultural land consolidation work, another milestone in Taiwan's land reform, advanced from the stage of experiment to become a long range program during fiscal 1961. Also, efforts at upholding the rent reduction achievements, distributing public farm lands and planning and experimenting a land re-classification program have been continued during the year. To most of these endeavors, JCRR has given assistance.

Between 1958 and 1960 JCRR assisted the Government in the consolidation of 1,300 hectares of agricultural lands as an experiment. In fiscal 1961, this program was extended to cover 3,300 hectares in 11 localities, benefiting 5,157 farm families.

The consolidation work underway in the above areas is carried out together with rotational irrigation and reclamation. To achieve larger effects, program areas larger than those selected for experiment before 1961 were selected for implementation. The program is operated on the following principles:

(1) All farm plots are replanned. Each plot is rectangular in shape. Farm plots are arranged according to the direction of sunshine and wind. The size of a farm plot in a locality is determined by local needs. The sizes vary as follows:

- (a) 0.1 hectare (50 m in length x 20 m in width)
- (b) 0.15 hectare (60 m in length x 25 m in width)
- (c) 0.2 hectare (100 m in length x 20 m in width)
- (d) 0.25 hectare (100 m in length x 25 m in width)
- (e) 0.3 hectare (120 m in length x 25 m in width)

(2) Farm road system is so arranged that each plot is connected with a road, from two to four meters wide.

(3) Drainage and irrigation scheme should be more elaborate than those in ordinary areas and each farm plot should be made directly irrigable and drainable.

(4) Consolidated farm should be distributed to the owners according to the sizes of original holdings or according to the land values. In addition, fragmented farm holdings should be consolidated as much as possible into one farm in order that each farm holding may become an efficient operation unit.

At the end of fiscal 1961, out of 3,300 hectares of farm lands earmarked for consolidation, work on some 1,800 hectares has been successfully concluded. Work on the remaining 2,000 hectares is scheduled to be completed at the end of 1961.

1. Lease Renewed Every 6 Years to Protect Tenant Farmers

The farm rent reduction program implemented in Taiwan reduced the amount of farm rent to 37.5% of the annual crop yield and conferred a minimum tenure of lease of six years to tenant farmers in written contracts concluded between the land owners and the tenant farmers.

During 1949, the first year of rent reduction, there were 260,000 hectares of private tenanted lands and 300,000 families of farm tenants. The land-to-the-tiller program was introduced in 1953. By the end of 1960, the area of tenanted land had been reduced to 82,000 ha. and the number of tenant farmers to 140,000 families. Since there are still tenanted lands retained by landlords under the land-to-the-tiller program, tenant farmers must be protected from losing their right of occupancy. To that effect, the government renews the farm lease contracts every six years.

In 1960, some 130,000 pieces of rent reduction farm leases covering 80,000 hectares of retention lands expired. To enable the tenants to till the land without interruption, the government calls for the renewal of the expired contracts by the tenants if they continue to till their lands. The lease renewal campaign was conducted according to the following procedures:

(1) The government directly renews the contracts at the request of the tenant when the landowner fails to take the necessary step to claim back the land.

(2) The government may directly turn the land to the landowner for cultivation at his request when the tenant fails to take the necessary step to renew the contract.

(3) The government directly renews the contract at the request of the tenant when the landowner is deemed by the government to be having no farming ability, or, even with farming ability, to be having sufficient income to support his own living without resorting to taking back the land for cultivation. However, the government may institute proceeding to conciliate the case if the landowner, with farming ability, will have no sufficient income to support his living without taking back the land and the tenant will at the same time lose his means of living if land is taken back by the owner.

(4) The government may directly renew the contract for the tenant if neither the tenant nor the landowner takes the necessary step to renew the expired contract.

During the campaign, among 132,000 expired lease contracts, requests were made by the tenant farmers to renew 123,000 contracts. The landowners requested to terminate only 19,827 contracts. The campaign was nearly completed at the close of fiscal 1961. According to a field survey conducted in Changhua hsien by JCRR, among the 18,015 expired contracts, 56 were terminated, 700 partially terminated, 165 transmitted to the local court for adjudication, and 17,094 officially renewed for another term of six years.

## 2. Three Proposals Made to Reclassify Land

In fiscal 1961, JCRR assisted Provincial Land Bureau in planning and working out three land reclassification proposals.

Both in 1948 and 1949, JCRR helped the Provincial Land Bureau conduct a regional survey of land classifications changes and a land productivity survey in five townships as basis for planning a land reclassification program. On the basis of the findings of the two surveys, the bureau has revised the land use classifications of 36,000 hectares of agricultural lands in the province. In fiscal 1961, JCRR further assisted the bureau in updating the land grade under each land classification. After a series of lengthy studies and discussions, three proposals were worked out as follows:

(1) To make an overall revision of the existing classifications of all agricultural lands in the province and to regrade the land under each classification, on the basis of the land income data obtained by a thorough survey of various facilities including irrigation, soil, topography, transportation, etc.

(2) To readjust, according to the existing classifications of the adjacent land, the grades and classifications of only those lands whose use conditions have undergone obvious changes as a result of better irrigation facilities and improved land use since 1946.



(3) To abolish the existing classifications of all agricultural lands established on the basis of the land income and on which the existing land tax system rests, and to make an overall assessment of the current values of all agricultural lands and to institute a new land value tax on the basis of the assessed land values.

The last overall readjustment of the grades of agricultural land in Taiwan was made in 1945 by the Japanese. In 1950 the Chinese Government made partial adjustments of the grades of those lands whose use conditions had undergone changes. Since then, significant changes in the land use conditions have taken place and the existing land grades have become obsolete. The first proposal to carry out an overall land reclassification program would take three to four years and therefore seems too slow to meet the present need. The second proposal will take about 12 to 18 months and seems to be more practical. The third proposal would take about two years. It represents Dr. Sun Yat-sen's ideal of taxing the land in accordance with its value. All the three proposals have been submitted to the Provincial Government for study and action.

#### Chapter XIII. Land Consolidation Program Continued (July 1961 - June 1962)

A 10-year land consolidation program was started in the past fiscal year with JCRR assistance. JCRR also participated in the re-election of 2,850 farmer members to run the 341 farm tenancy committees on the island. Through these committees, farmers were trained to handle their land problems.

Demonstration of land consolidation took place between fiscal 1959 and 1961 with JCRR playing an active role in the initiation and implementation. A total of 22 projects covering a total area of 4,600 hectares of farm lands was carried out. The current 10-year program was introduced by the Taiwan Provincial Government for the consolidation of 300,000 hectares of selected farm lands. During the past fiscal year, 4,855 hectares of farm lands in 11 areas were consolidated.

The largest area consolidated is in Lungching covering 1,300 hectares. The consolidation work in all areas was supplemented with rotational irrigation program; in one area the work of reclamation was added.

The principal consolidation steps are: (1) planning of new farm plots, (2) improvement of farm roads and water courses and (3) redistribution of consolidated plots. During the year, the standard farm size consolidated in the 11 areas ranged from 0.12 to 0.25 hectare. All plots are rectangular 100 meters long and 20-25 meters wide which are larger than the standard size adopted in the past. The farm roads range in width from 3 meters for branch roads to 4-7 meters for main roads. The consolidation has made improvements in land structure and farm structure as follows:

Item	Before consolidation	After consolidation
(1) Improvement of land structure		
(a) Number of farm plots	53,498	21,777
(b) Percentage of farm plots directly irrigable	22%	96%
(c) Percentage of farm plots directly drainable	12%	97%
(d) Percentage of farm plots directly accessible	25%	90%
(2) Improvement in farm structure		
(a) Percentage of farm holdings in one place	44%	84%
(b) Percentage of farm holdings in two places	34%	12%
(c) Percentage of farm holdings over three places	26%	2%

Land consolidation has served as a foundation for carrying out other rural reconstruction projects such as housing, school and health. The Provincial Government has designated the Lungching area, the largest of the 11 consolidated areas for demonstration of the additional projects.

#### 1. Farm Tenancy Committees Number 340 On Island

There are 341 farm tenancy committees in the rural area of Taiwan. Of the total, 319 are township committees and 22 prefectural committees. These committees were organized in 1952 to help the government carry out the land rent reduction program and have played an important role in the implementation of the land reform.

Each farm tenancy committee, prefectural or township, consists of 11 members including 5 tenant farmers, 2 owner farmers, 2 landlords and 2 ex-officio members. A committee member serves a term of three years. On the expiration of the third three-year term in fiscal 1962, JCRR provided financial assistance to the Provincial Government in supervising the election and training of the new members. Under the election program, farmers and landlords in 4,000 villages elected 17,567 village representatives (of which 8,716 representatives are elected from tenant farmers, 4,985 representatives from owner farmers and 3,866 representatives from landlords). These representatives in turn elected 2,850 members to the township farm tenancy committees of whom 1,586 are tenant farmers, 632 owner farmers and 632 landlords. The township committees again elected 198 members to the 22 prefectural committees (of whom 110 are tenant members, 44 owner farmers and 44 landlords). All the committee members were scheduled to receive a six-day training given by the government. At the close of fiscal 1962, the training of the prefectural committee members have been completed. The training of the 2,850 township committee members will be conducted at the end of 1962.

#### 2. JCRR Helps Improve Land Registration System

In fiscal 1962, JCRR provided the government with funds to improve the land registration system on the island. This project is a follow-up to a project carried out in 1952 when 7,600,000 pieces of loose-leaf index cards were adopted to classify all kinds of land holdings preparatory to



carrying out the Land-to-the-Tiller Program. Since the existing cadastral records are in book form, bulky in size, incomplete in design and inconvenient to use, the Taiwan Provincial Government decided recently to adopt the cards as the legal records instead of cadastral books. JCRR provided a part of the required funds. The project plans:

- (1) To cross-check 7,600,000 pieces of land holding records against 6,000 volumes of land registration books and make necessary corrections.
- (2) To compile 10,000 control sheets to insure accuracy of the details entered in the cards even in case the cards are lost.
- (3) To work out a new and comprehensive set of regulations to govern the implementation and management of the new cards.
- (4) To adopt the new land index cards as the legal government land registration cards beginning January 1963.

To carry on this project successfully, the Provincial Land Bureau will choose 4 out of the 69 land offices on the island to first experiment on the use of the cards. The experiment will be completed before September 1962. The whole project is scheduled to be completed before the end of 1962.

#### Chapter XIV. Survey on Land Consolidation Effects (July 1962 - June 1963)

FY1963 marked the third year of the ten-year land consolidation program of the Taiwan Provincial Government. During the year JCRR assisted in extending the program to cover 15,539 more hectares of farm. The total area of consolidated farms amounted to 23,482 hectares, including 3,362 and 4,527 hectares consolidated during the first and second years, respectively.

Of the 15,539 hectares of farm land covered by the program, 5,724 hectares are paddy fields scattered in 14 regions and 9,815 hectares are dry land farms scattered in 37 regions. The paddy fields are private farms while the dry land farms are sugar cane plantations operated by the Taiwan Sugar Corporation. Summarized below are the direct effects of the consolidation program:

Effects on irrigated farms	Before consolidation	After consolidation
Improvement of land structure		
(a) Number of farm plots	71,068	36,955
(b) Percentage of farm plots directly irrigable	20%	98%
(c) Percentage of farm plots directly drainable	17%	99%
(d) Percentage of farm plots directly accessible	22%	98%

Effects on irrigated farms	Before consolidation	After consolidation
Improvement of farm structure		
(a) Percentage of farm holdings consolidated in one place	40%	86%
(b) Percentage of farm holdings consolidated in two places	30%	12%
(c) Percentage of farm holdings consolidated in three or more places	30%	2%

Effects on dry land farms	Before consolidation	After consolidation
Improvement of land structure		
(a) Number of farm plots	6,783	1,188
(b) Percentage of plots directly irrigable	28%	72%
(c) Percentage of plots directly drainable	36%	92%
(d) Percentage of plots directly accessible	42%	100%

To evaluate the effects of the consolidation program, a project was launched by JCRR to survey a total of 2,485 hectares of consolidated farms cultivated by 4,763 farm families in five regions in Changhua, Yunlin, Chiayi and Tainan. The project included a general survey of the field economic data and a sampling survey of 5% of the total farm families in the regions. The field work of the project was completed by the Department of Agricultural Economics of NTU at the end of this fiscal year. Statistical analysis and the compilation of a final report are under way and a detailed report will be published in FY1964. Preliminary findings are given below:

(1) Effects on farm structure

The number of farm plots per family has been reduced by an average of 32%. The size of the farm plots per farm family has been enlarged by an average of from 0.17 to more than 0.2 hectare.

(2) Effects on field communication

Directly accessible farm plots connected with farm roads have increased from 50% to 90%. Farms accessible by bicycles have increased from 39% to 75% and by ox-carts, for transporting fertilizers as well as farm products, from 74% to 88%.



(3) Effects on irrigation and drainage

Percentage of direct irrigation of individual farm plots has increased from 85% to 98% while direct drainage increased from 61% to 99%. In addition, the number of farm families enjoying better drainage has also increased from 60% to 90%.

(4) Effects on the use of farm implements

In terms of farm families, the use of gadgets for proper spacing and close transplanting has increased from 36% to 60%, of power tillers from 5% to 24% and of water pumps from 13% to 43%.

Chapter XV. Land Consolidation Continued  
(July 1963 - June 1964)

During FY1964 the Taiwan Provincial Land Bureau consolidated 20,000 hectares of farmland in 58 regions in the Province. In addition to those consolidated in the previous years, a total of 44,000 hectares of farm land had been consolidated by the end of FY1964, the 4th year of the 10-year land consolidation program.

Of the 20,000 hectares consolidated during FY1964, 8,930 hectares are irrigated farms, of which 2,035 hectares were flooded when Typhoon Gloria swept over Taiwan on September 11, 1963. The other 11,070 hectares are dryland farms operated mostly by the Taiwan Sugar Corporation (TSC) and some by private farmers. The TSC sugar cane plantations were remodelled into farms of 12 hectares each and all the irrigated and non-irrigated private lands were remodelled into farms of 0.2 to 0.3 hectare each. Reclamation work was carried out on 2,035 hectares of farm land in the flooded areas in Taichung County. In addition, new farm roads were built and an irrigation system on a rotational irrigation basis was introduced in all the irrigated regions as part of the consolidation program.

By the end of FY1964, consolidation operations on 8,930 hectares of irrigated land had been completed, while those on 11,070 hectares of dry land were still going on. In assisting the consolidation program JCRR provided NT\$3,300,000 for the Provincial Land Bureau to defray 50 per cent of the operational expenses. The remaining 50 per cent was provided by the Provincial Government and the engineering cost was borne by the farmer-beneficiaries.

Direct effects of the consolidation of 8,930 hectares of irrigated farms may be seen from the following table:

<u>Effects on irrigated farms</u>	<u>Before consolidation</u>	<u>After consolidation</u>
1. Improvement of land structure		
a. Number of farm plots	92,331	32,877
b. Farm plots directly irrigable	23%	97%
c. Farm plots directly drainable	16%	98%
d. Farm plots directly accessible	22%	95%
2. Improvement of farm structure		
a. Farm holdings consolidated in one place	42%	86%
b. Farm holdings consolidated in two places	27%	12%
c. Farm holdings consolidated in three or more places	31%	2%