

Article

Special Sacrifice and Determination of Compensation Standard for Land Expropriation in the Urbanization Process—A Perspective of Legal Practice

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Abstract: In the current context of rapid global urbanization, China's urbanization is also accelerating, and the rational planning and sustainable use of state land and space have become a growing concern. The expansion of urban geographic space is inevitably accompanied by the massive expropriation of rural land. The research objective of this article is to explore, from a jurisprudence perspective, under what circumstances land expropriation in urbanization has caused special sacrifices to farmers and what compensation standards have been determined by the Chinese courts after the special sacrifices have been caused. To achieve this research objective, the authors first identified the causal relation between the expansion of urbanization and conflicts over land expropriation in China through the empirical analysis method, and found that the expansion of urban geographic space has led to an increase in conflicts over land expropriation and that the land expropriation compensation system is the key to alleviating such conflicts. Secondly, by interpreting and summarizing the compensation standards for land expropriation in China's legislation texts and judicial judgments through normative analysis, this article finds that the compensation standards for land expropriation currently adopted by the people's courts of China are pluralistic and conflict with those in the legislation text. This article concludes that if land expropriation in urbanization leads to an infringement of civil liberties which results in a special sacrifice of citizens, such special sacrifice should be justly compensated. To effectively mitigate the conflicts concerning land expropriation in the urbanization process, China should build a unified compensation standard for land expropriation under the guidance of legislative text in the future, achieve a reconciliation between the doctrinal and practical compensation standards for land expropriation, and support the rule of law to guarantee the sustainable development of urbanization.

Keywords: urbanization; urbanization process; land expropriation; special sacrifice; compensation for land expropriation; legal practice



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1. Introduction

Land is the material basis for human survival and development, and the origin of all production and existence. Urbanization is an inevitable choice in history and the main factor that drives national economic growth; however, the process of urbanization unavoidably involves land expropriation. The expropriation of rural land and its conversion into construction land has become the main way to elevate the level of urbanization. Given the limited urban space and the enormous area of protected rural farmland in China, the conflict between the expansion of urban geographic space and the expropriation of agricultural land has become increasingly prominent. In recent years, disputes and conflicts arising from the expropriation of rural land have been on the rise and some have even become the trigger for outbreaks of mass events of violations of public order in rural areas, making the issue of land expropriation a focus of attention of all sectors of society [1].

In China, land expropriation conflicts mainly manifest as violent land expropriation, public complaints lodged by farmers with the government, suicides of farmers, litigation disputes, etc. Studies show that 73% of farmers' public complaints and disputes are related to land, of which 40% of public complaints involve land expropriation disputes, and 87% of land expropriation disputes involve the issue of compensation for land expropriation [2]. It can be seen that land expropriation, demolition, and relocation while promoting the process of urbanization in China, have brought a series of social conflicts at the same time, among which the contradictions and conflicts of interest arising from land expropriation in rural areas have become the main factors affecting social harmony and stability in China. Should compensation be provided for land expropriation which is based on urban planning? What should be the standard of compensation for land expropriation in the process of urbanization? How should the compensation standard be set up scientifically and reasonably? This series of questions has become impossible to ignore.

Forms of land expropriation vary from country to country and are divided into three main forms: governmental expropriation, non-governmental expropriation, and cooperative expropriation. Governmental expropriation is based on the need of public interest; non-governmental expropriation is voluntary land acquisition and development initiated by an organization on a relatively large scale; cooperative expropriation is a form of expropriation where the governmental and non-governmental agencies cooperate [3]. In China, the compensation system for land expropriation is a system whereby the state compulsorily converts land collectively owned by farmers into state-owned land according to the needs of the public interest and gives farmers certain compensation. All of the four Constitutions of China enacted after the founding of the People's Republic of China have provisions regulating land expropriation. Article 13 of the current Constitution of China stipulates that "The state may, in the public interest, expropriate or requisition citizens' private property for its use following the law and make compensation for the private property expropriated or requisitioned". Unlike other countries where land is the private property of farmers, land in China belongs to the state or is collectively owned. Therefore, the underlying logic of land expropriation in the process of urbanization is based on the public ownership of collectively owned land. Thus, the rights and standards for the compensation of farmers affected by land expropriation naturally vary from those of other countries. How to solve the problem of compensation for land expropriation is a common problem faced by governments all over the world.

From a worldwide perspective, there are three main approaches regarding compensation standards: full compensation, just compensation, and appropriate compensation, with the vast majority of countries adopting the just compensation approach. For example, in the United States, under the just compensation approach, the average market price of land at the time of expropriation is used as the basis for compensation, and the derived value of the land is added to arrive at the compensation benchmark. Based on the current value of the land, the expected benefits should be fully considered, and the employment possibilities of the landless farmers should be taken into account to ensure their self-sufficiency [4]. The internationally accepted compensation standard is determined based on the market value of the expropriated land, fully taking into account factors such as the financial loss of the aggrieved party, the utilization status of the land, the land market, the history of compensation for past expropriations, the time of expropriation, and the composition of the investments into the land [5].

The current approach of compensation for land expropriation in China is mainly in the form of appropriate compensation, under which farmers are given a one-off compensation in monetary form, and the compensation standard is smaller or lower than in other countries. Compensation standards have been inconsistent, which is reflected in practice in overly narrow compensation scopes, simple compensation content, and unclear compensation procedures. Insufficient compensation caused by unclear compensation standards is very likely to cause dissatisfaction among landless farmers and social conflicts, resulting in mass events of violations of public order. At the same time, there are more and more

litigation disputes arising from land expropriation conflicts. In China, land expropriation conflicts manifest in the form of conflicts between farmers and the government. Land expropriation will change the way of life and production for farmers, and overly low compensations can hardly cover the family expenses of landless farmers. In the meantime, with the acceleration of urbanization, the unit price of the houses that farmers purchase is much higher than the compensation that the landless farmers receive based on the land's annual output, which amounts to several thousand yuan. Faced with high housing costs, it is difficult for landless farmers to find new homes and new jobs, which is very likely to cause dissatisfaction among landless farmers. Land expropriation conflicts arising from compensation standards are difficult problems worldwide, and other countries are facing the same dilemma. In light of this common understanding, existing studies have been carried out mainly on the following aspects.

Firstly, the relationship between the urbanization process and land expropriation is considered. Some scholars believe that the essence of new urbanization is the urbanization of people. For this reason, the land expropriation system needs to be reformed to facilitate the simultaneous transfer of land and farmers and to solve the conflicts between urbanization and land expropriation [6]. While some scholars believe that urbanization is the driving force of China's future development and that urbanization consists mainly of the urbanization of land and population. It is during the urbanization of land that conflicts are inevitably created over land expropriation [7]. Other scholars point out bluntly that the solution to China's problems is the adherence to the principle of minimal government intervention, and that the most prominent problem in the process of urbanization is that the government has to expropriate land [8]. As can be seen, Chinese scholars have extensively discussed the relationship between the urbanization process and land expropriation in many ways, and all agree that the urbanization process is inevitably accompanied with land expropriation, which objectively leads to an increase in land expropriation conflicts. However, the existing studies do not provide a strong argument for the causal relationship between urbanization and land expropriation.

Secondly, studies have explored the Chinese compensation system of land expropriation. Wang Xingyun argued that in the practice of land expropriation, it is necessary to focus on solving important problems such as the ambiguity about the determination of subjects entitled to compensation, the narrow scope of compensation, low compensation standards, simple compensation methods, and difficulties in the realization of compensation [9]. Xue Gangling and Wang Jixia believed that China should learn from the experience of other countries and improve the legislation on the compensation system for land expropriation in China to clarify the subjects and rights holders, the standards and scopes, and the methods and procedures of the compensation [10]. Wang Kewen believed that China should narrow the scope of land expropriation and confine it to what is necessary for the public interest. It must first abandon the state monopoly of the supply of construction land that is based on the model of "expropriating the land first and then transfer the expropriated land to construction businesses", and set up a system for the supply of construction land which separates construction land for the public interest from construction land for business use [11]. Chen Ying et al. believed that compensation for public interest and non-public interest expropriations should be treated differently and that the scope of public interest expropriations should be strictly defined with fair and reasonable compensation provided. For non-public interest expropriation, a unified urban and rural construction land market should be gradually established, and compensation standards should cover economic and non-economic losses based on fair market prices [12]. In conclusion, the Chinese legal community focuses on revealing the problems with the existing land expropriation compensation mechanism and proposes corresponding solutions. However, few scholars have discussed the circumstances in which compensation is not required in the process of land expropriation, such as the question of whether to compensate for regulatory expropriation. The United States has held since the 1922 *Pennsylvania Coal Co. v. Mahon* case, that compensation is required if there is a regulatory expropriation of citizens' property rights

based on the needs of the public interest. While China lacks a categorized and systematic review of regulatory expropriation, it is unclear whether farmers should be compensated in this respect. Therefore, to seek clarity on the compensation standard, the first premise that must be resolved is to determine the definition of land expropriation, for which we need to introduce a special sacrifice theory to solve the problem.

Thirdly, studies have considered the compensation standard for land expropriation in China. For example, Liu Weidong and Peng Jun provided a calculation method to reasonably determine the compensation standard for land expropriation. They proposed that the compensation standard for land expropriation in China should be calculated separately based on the actual loss of land property interest of farmers and the government's ability to pay for land expropriation compensation at the price of land concession [13]. Li Yiheng believed that the reform of the expropriation compensation regulations should be steered in the direction to preserve the existence of property rights to a greater extent and that alternative compensations may provide the expropriated person with more comprehensive and reasonable compensation than pure monetary compensation [14]. Based on the analysis of Chinese provincial and local legislative texts, Qu Maohui and Zhou Zhifang believed that China should unify legislation on land expropriation, establish the principle of just compensation according to market value, construct a reasonable mechanism to constrain the power of expropriation compensation and clarify the calculation formula of expropriation compensation standards [15]. Li et al. analyzed the satisfaction levels of the expropriated farmers by developing a structural equation model (SEM) and concluded that the compensation standard for land expropriation is an important factor affecting farmers' satisfaction levels with land expropriation [16]. From the perspective of the comprehensive value of farmland resources, Zhu Peixin et al. deconstructed the composition of compensation standards for land expropriation into three parts—agricultural economic value, social value, and ecological and environmental value—and quantified and measured them by the income capitalization method, the cost alternative method and the willingness to pay method, respectively [17]. Tilahun Dires et al. argued that due attention needs to be paid to the livelihood, land use, and food security of the expropriated landowners in the process of land expropriation [18]. It can be seen that existing studies have also spared no efforts in the quantification of the compensation standard for land expropriation. The above-mentioned studies on compensation standards at the micro level may provide a temporary fix to the problem but cannot solve the fundamental conflicts of the land expropriation system, i.e., the problem of inconsistent compensation standards. The reason for this is that we ignored the fact that judicial standards have not been established with respect to the determination of the compensation standard, while the judicial mechanism as a method to resolve the issue of land expropriation compensation has not been given sufficient attention. At the same time, previous studies have focused on the description of the conflicts caused by the inconsistent compensation standards, but have not analyzed in depth the essence of the problem. Few studies have reviewed legal norms and judicial cases to reveal the essence of the conflicts revolving around land expropriation.

Since the Fifth Plenary Session of the 19th Central Committee of the Communist Party of China (CPC) issued the clarion call for common prosperity, solidly promoting common prosperity in the context of high-quality development has become the most important goal and focus of contemporary times in China. To achieve this goal, it is necessary to firstly coordinate the development of urban and rural areas and continuously narrow the gap between urban and rural areas. How to determine the compensation standard for land expropriation in a scientific and reasonable manner has become a pressing issue among academics. In order to make up for the limitations of existing studies, this article mainly examined the Chinese legislative texts and judicial cases from the jurisprudential perspective and found that the appropriate compensation approach under the current legal norms can hardly solve the livelihood problems of landless farmers, and the establishment of compensation standards is often delegated to local governments at different levels. In judicial practice, courts usually adopt a modest and conservative approach, and in cases

concerning compensation standards, they usually deviate from the legislative regulations, resulting in different compensation standards in different regions, which is very likely to cause dissatisfaction among landless farmers. As such, the construction of a standard for a judicial determination on compensation is very urgent. To this end, this article chooses to explore whether compensation is needed, and according to what standards the land expropriation in the process of urbanization should be compensated, from a legal perspective. This article is original and it is of great theoretical and practical value for resolving land expropriation conflicts in China's urbanization process. We believe that the urbanization process and the rule of law could positively interact with each other and that if, during the process of urbanization, land expropriation and relevant compensation comply with the requirements of the constitution and the law, this will propel the acceleration of the urbanization process that conforms to the concept of sustainable development. Vice versa, urbanization will also contribute to the development and transformation of the rule of law in China.

2. Materials and Methods

2.1. Research Materials

In terms of the type of article, this article is a combination of normative and empirical research, strictly following an explanatory and empirical research path. Firstly, this article analyzes and interprets the Constitution of China and other Chinese laws, and provides a legislative analysis of the position of Chinese laws when discussing the issue of compensation for land expropriation, as an effort to sort out the normative status of the land expropriation compensation system and to explore the way to improve the compensation for land expropriation in the future. The existing legislative texts in China are important research materials for this article. Secondly, this article focuses on the empirical analysis of China's publicly available judicial judgments and the China City Statistical Yearbook. We believe that judicial judgments related to land expropriation are valuable samples to catch a glimpse of the inadequacy of China's current land expropriation system in its urbanization process, which can reveal the characteristics, current situation, and problems of China's expropriation compensation system, while the data in the China City Statistical Yearbook can reflect the relationship between the urbanization process and land expropriation. Therefore, the China City Statistical Yearbook and judicial judgments related to land expropriation are also important research materials for this article.

2.2. Research Methods

Firstly, the normative analysis method is used. This article extensively collects literature on topics relating to urbanization, land expropriation, land planning and sustainable use, and the compensation system for land expropriation, and systematically organizes and summarizes this literature. When analyzing and organizing the literature, the authors focused on the relationship between the urbanization process and land expropriation, exploring whether the urbanization process has objectively caused an increase in land expropriation conflicts. At the same time, the authors sorted out the theories, standards, and doctrines of land expropriation compensation to explore whether the increase in land expropriation conflicts is directly related to inadequate compensation for land expropriation. Additionally, this article interprets the legislative texts related to land expropriation, explains, constructs, and systematizes the constitutionality of land expropriation compensation and its standards, and streamlines the positions and opinions of China's existing legislation on land expropriation compensation. Therefore, the normative analysis method based on literature and legislative texts is indispensable and extremely important to this article.

Secondly, the empirical analysis method is used. This article utilizes the data from the China City Statistical Yearbook, China Judgement Online, and the PKU Law database to measure land expansion in the urbanization process, land expropriation conflicts, and land expropriation compensation, and uses the fixed-effects model to identify the causal relation between the expansion of urbanization and land expropriation conflicts in China. It further

utilizes the data of land expropriation cases to evaluate and analyze the standards adopted by the courts among the prevailing land expropriation compensation standards and reveals the current situation of land expropriation compensation in the context of China's urbanization to understand the specific characteristics of China's expropriation compensation system and to propose strategies to improve the land expropriation compensation mechanism.

3. Empirical Research Results

3.1. Sources of Data

This article takes the data of 286 prefecture-level cities in China from 2016 to 2020 as study samples. The data of these cities are matched data from two sets of databases: one is the China City Statistical Yearbook compiled by the National Bureau of Statistics which comprehensively reflects the socio-economic development and urban construction of each prefecture-level city in China. From the China City Statistical Yearbook, we obtained the urbanization data of each prefecture-level city, as well as the control variables at the prefecture level, such as the economic development level, population size, social security level, rule of law level, and government functions. The other is China Judgement Online, which discloses all judgments, rulings, and decisions of all people's courts in China that have taken legal effect, and is the most detailed database for studying legal cases in China. Based on the need of our study, we filtered and sorted the administrative expropriation cases of each prefecture-level city from the searches on the category of administrative cases, and evaluated the land expropriation disputes of prefecture-level cities based on this search result. After data processing, we eliminated data from cities that did not meet the specifications and used the ARIMA model to fill in the missing values, which in the end left us with a total of 1430 study samples from 286 prefecture-level cities in China.

3.2. The Empirical Model and Variable Setting

3.2.1. The Empirical Model Setting

This article empirically tests the causal relation between urbanization and land expropriation disputes in China using a fixed-effects model, and the empirical econometric model is constructed as follows:

$$LandDisputes_{it} = \alpha_0 + \beta_1 Urban_{it} + X'_{it}\gamma + \lambda_i + \mu_t + \varepsilon_{it} \quad (1)$$

In this model, i represents the prefecture-level city, while t represents the year. *LandDisputes* is the land expropriation disputes measured by the ratio of administrative expropriation cases to the total number of administrative litigation cases at the prefecture-level city in that year; *Urban* is the urbanization process measured by the ratio of construction land area to the total area of the prefecture-level city; X is a set of control variables which include a series of prefecture-level city control variables, such as economic development level, population size, social security level, rule of law level, and government function. To avoid the potential bias of other factors on the estimation results between the urbanization process and disputes over land expropriation in China, we added prefecture-level city fixed effects λ_i and year fixed effects μ_t into the equation to control the effects of unobservable factors that do not change with city and year; ε_{it} is the residual.

3.2.2. The Variable Setting

Explained variables: To better characterize land expropriation disputes, we manually retrieved and sorted administrative land expropriation cases and total administrative litigation cases in each of the prefecture-level cities in 30 Chinese provinces (except Tibet) based on data from China Judgement Online, and used the ratio of the two as a proxy variable for land expropriation disputes. A higher ratio implies that more administrative land expropriation cases are executed and handled by local courts, or, in other words, there are greater administrative expropriation disputes.

Core explanatory variables: The existing pieces of literature mainly measure the urbanization process from two perspectives: the proportion of the permanent urban resident population and the proportion of urban construction land area. However, considering that urban construction land better reflects the land expansion during the urbanization process we, therefore, draw on the practices in the existing literature and use the ratio of urban construction land area to total area to measure the process of urbanization. In the robustness test, we further use the proportion of the permanent urban resident population to the total population to measure the urbanization process, so as to ensure the robustness of the benchmark estimation results.

Control variables: This article uses urban economic development level, urban population size, urban social security level, and urban rule of law level as control variables according to its research needs in order to control other factors that may affect urban land expropriation disputes. Specifically, urban economic development level is measured by GDP per capita (constant LCU); urban population size is measured by total population at the end of the year; urban social security level is measured by the ratio of the number of urban employees participating in basic pension insurance and medical insurance to the total number of urban employees; rule of law level is measured by each city's law-related financial expenditures; the level of rule of law is measured by the law-related fiscal expenditures of each city; and government function is measured by the local general public finance budget expenditures. The results of the descriptive statistics of the main variables in this article are outlined in Table 1.

Table 1. Variables' descriptive statistics.

Variable Name	Variable Symbol	Observation	Average	Standard Deviation	Minimum	Maximum
Land Expropriation Disputes	<i>Land Disputes</i>	1430	2.364	1.299	0	6.100
Urbanization Process	<i>Urban</i>	1430	0.429	0.281	0.014	1
Economic Development Level	<i>GDP</i>	1430	10.822	0.526	9.304	12.281
Urban Population Size	<i>Population</i>	1430	5.891	0.711	3.008	8.136
Social Security Level	<i>Social Sec</i>	1430	14.025	0.945	11.786	17.452
Urban Rule of Law Level	<i>Law Soc</i>	1430	13.273	0.770	10.489	16.245

3.3. Characteristic Facts

In order to better reflect the relationship of impact between the urbanization process and disputes over land expropriation, we measure and analyze the basic evolution characteristics of the two based on data. Figures 1 and 2 show the general evolution of the urbanization process and the number of land expropriation cases in China from 2016 to 2020, respectively. Specifically, on the one hand, China's urbanization process shows a rapid upward trend during 2016–2020, gradually rising from 60.24% in 2016 to 64.72% in 2020. In recent years, various local governments in China have actively promoted the coordination of development in urban and rural areas, narrowed the gap between urban and rural areas, promoted the expansion of urban construction land to rural land areas, and encouraged a large number of surplus rural workers to work in urban areas, reflecting a relatively fast urbanization process. On the other hand, the number of land expropriation cases in China is gradually increasing, rising from 4765 cases in 2016 to 8698 cases in 2020. Along with the accelerating urbanization process, more and more rural land is being transformed into urban construction land in order to meet the needs of urbanization, and disagreements exist between the government and farmers regarding compensation for the interest of the land being expropriated, resulting in aggravated disputes. According to Figures 1 and 2, disputes over land expropriation in China have become more serious in the context of the acceleration of urbanization. Whether urbanization caused by the expansion of city land is the main factor leading to the aggravated land expropriation disputes in China is the main focus of this article. In the next section, this article will develop an empirical

model to identify and test the causal relation between the urbanization process and land expropriation disputes.

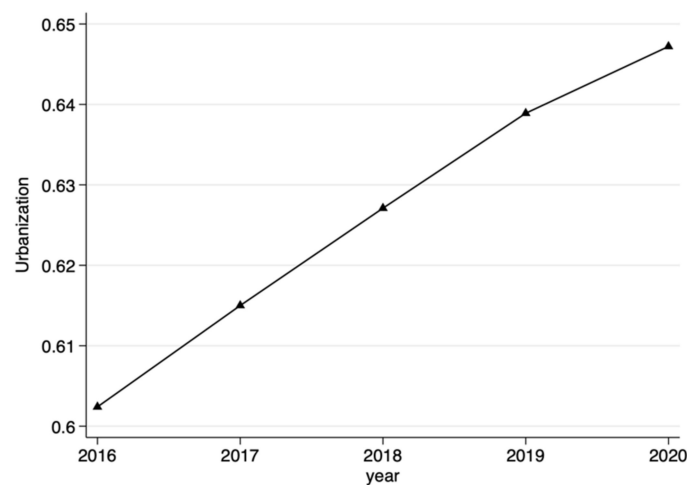


Figure 1. China's urbanization process (2016–2020).

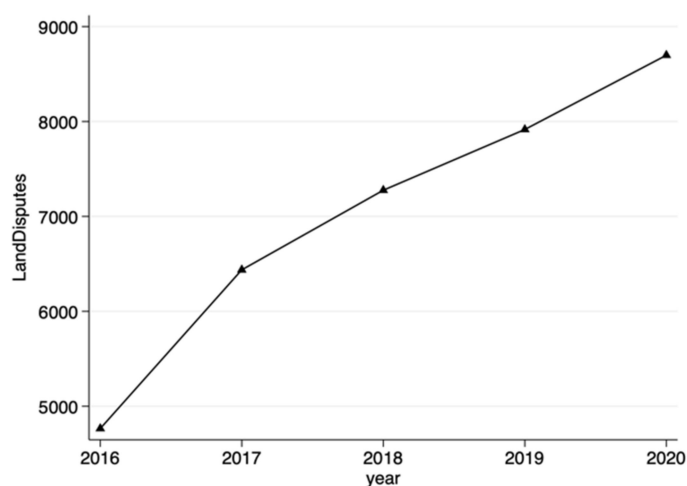


Figure 2. Land expropriation cases in China (2016–2020).

3.4. Results of the Empirical Research

In order to empirically test the impact of urbanization on land expropriation disputes, this article estimates Equation (1) using a fixed-effects model, adds control variables gradually in the estimation, and uses stepwise regression to analyze the estimated results in depth. In addition, we include city and year fixed effects in the equation and take robust standard errors into consideration to avoid the effects of serial correlation and heteroscedasticity problems on the regression results. Details of the estimation results are shown in Table 2.

Table 2. Benchmark estimation results and robustness test.

Explanatory Variables	Explained Variables: <i>Land Disputes</i>				
	(1)	(2)	(3)	(4)	(5)
<i>Urban</i>	0.206 *** (0.017)	0.082 *** (0.027)	0.073 *** (0.027)	0.255 *** (0.136)	0.080 *** (0.027)
<i>GDP</i>		−0.025 *** (0.100)	−0.085 (0.098)	−0.111 (0.098)	−0.053 (0.102)

Table 2. Cont.

Explanatory Variables	Explained Variables: Land Disputes				
	(1)	(2)	(3)	(4)	(5)
<i>Population</i>		0.564 *** (0.124)	0.667 *** (0.123)	0.563 *** (0.124)	0.675 *** (0.123)
<i>Social Sec</i>		0.351 *** (0.076)	0.415 *** (0.075)	0.412 *** (0.076)	0.432 *** (0.078)
<i>Law Soc</i>		0.015 (0.125)	−0.180 (0.126)	−0.201 (0.126)	−0.195 (0.129)
<i>Market</i>					−0.554 (0.058)
<i>IndStr</i>					−0.285 (0.054)
<i>City Fixed Effects</i>	No	No	Controlled	Controlled	Controlled
<i>Year Fixed Effects</i>	No	No	Controlled	Controlled	Controlled
Adj. R ²	0.092	0.128	0.739	0.741	0.745
N	1430	1430	1430	1430	1430

Note: *** indicate significance at the 1% level. Numbers in parentheses are standard errors for clustering.

We add only urbanization as a core explanatory variable in the first column of Table 2 to examine the causal relation between urbanization and land expropriation disputes. The estimation results show that the effect of urbanization on land expropriation disputes is significantly positive at the 1% significance level, indicating that urbanization will significantly increase land expropriation disputes in cities, thus confirming the previous research hypothesis. In the second column, we add a series of prefecture-level city control variables such as the urban economic development level, population size, social security level, rule of law level, and government function to control the potential bias interference of other factors on the estimation results. As can be seen, the estimated coefficient of the urbanization process on land expropriation disputes remains significantly positive at the 1% significance level, indicating that our benchmark estimation results are not potentially affected by other urban factors. Furthermore, we gradually add city fixed effects and year fixed effects in the third column to control the impact of unobservable factors that do not vary with city and year on the estimation results. From the estimation results, we can find that the estimated coefficients of urbanization on disputes over land expropriation do not change significantly, indicating that the estimation results obtained in this article are highly robust. Overall, our estimation results confirm the research hypothesis of the article that urban land expansion has led to worsened land expropriation conflicts in Chinese cities as urbanization continues to accelerate. Therefore, how to develop a reasonable compensation mechanism for land expropriation, guarantee that farmers can obtain equal rights and fair interests in land expropriation, and reduce all kinds of disputes in the process of land expropriation has become a key issue that needs to be addressed without delay in the context of the current urbanization process in China.

3.5. Robustness Test of the Results

The benchmark estimation results of this article allowed us to perform a preliminary test and analysis of the impact of the urbanization process on land expropriation disputes, but the estimation of the benchmark econometric equation may still cause estimation bias in terms of variable measures, the omission of important explanatory variables, and other issues, thus challenging the empirical results of this article. Therefore, robustness tests and analyses are conducted in this article.

On the one hand, in the benchmark regression, this article used the ratio of urban construction land area to the total area of the prefecture-level city as the ratio of urbanization. However, the use of a single measure may raise the problem of bias in the measurement of urbanization. To further ensure the accuracy of the results, the authors, with reference to existing literature, measured them using the ratio of urban resident population to the

total population, and the related estimation results are shown in column (4) of Table 2. The estimation results show that the estimated coefficient of the urbanization process on land expropriation disputes is still significantly positive after replacing the measure of the core explanatory variables, indicating that the estimation results of this paper are not confounded by the measurement bias and its results are robust.

On the other hand, although this article includes important potential factors such as urban economic development level, urban population size, urban social security level, and the urban rule of law level as control variables in the benchmark model, the estimation results of this article are still challengeable by other competing mechanisms as well as third-party co-determinants. To avoid endogeneity problems arising from the omission of important explanatory variables, this article further adds the urban marketization index (*Market*) and industrial structure (*IndStr*) as control variables for robustness testing based on the benchmark regression. Specifically, the marketization index data are obtained from the Annual Report on the Relative Process of Marketization to measure the urban institutional environment, while the industrial structure is measured using the ratio of the number of employees in the secondary industry to that in the tertiary industry. The corresponding estimation results are reported in column 5 of Table 2. The results show that the estimated coefficients of the core variables of interest in this article remain consistent with the benchmark results after adding additional explanatory variables, indicating that the estimation results of this article are robust.

4. Discussion

The continuous increase in land expropriation cases in China's urbanization is subject to many factors. A preliminary analysis of the retrieved land expropriation cases shows that the contradiction of land expropriation may arise from the dereliction of duties and the procedural impropriety of administrative organs, or the deficiency of compensation agreements for land expropriation, but the biggest source of conflict is related to lacking compensation or insufficient compensation for land expropriation in practice. In other words, the establishment, improvement, and standards of compensation for land expropriation have become key to alleviating the conflicts of land expropriation in China's urbanization, and, necessarily, this paper goes back to Chinese legislative texts and judicial practices to review and improve the compensation mechanism for land expropriation in China.

4.1. Identification and Recognition of Compensation for Land Expropriation

4.1.1. Legalization of Compensation for Land Expropriation

Article 13 of the Constitution of China stipulates that "The state may, in order to meet the demands of the public interest and in accordance with the provisions of law, expropriate or requisition citizens' private property and furnish compensation". Article 2 of the Land Administration Law of China stipulates that "The state may make expropriation or requisition on the land according to law for public interests, but shall give compensations accordingly". Article 6 of the Urban Real Estate Administration Law of China stipulates that "For public interests, the state can expropriate any entity or individual's house built on state-owned land, but the state shall give relocation compensations according to law and safeguard the legitimate rights and interests of the entity or individual. If an individual's residential house is to be expropriated, the state shall guarantee the housing conditions of the individual. The specific measures shall be formulated by the State Council". Article 2 of the Regulations on the Expropriation and Compensation of Houses on State-Owned Land of China stipulates that "Fair compensation shall be made to the owners of the houses to be expropriated in the event of expropriation of houses owned by entities or individuals on state-owned land for public interests". As can be seen, Chinese legislation, including the Constitution, laws, and administrative regulations, tends to assume that compensation should be paid whenever land expropriation occurs. The state can, of course, expropriate or requisition land by legislation, but only if it is for the public interest, through due process of law, and with fair compensation [19].

The expropriation of land involves the private property rights of citizens. Globally, Article 17 of the French Declaration of Human Rights, Article 153 of the German Weimar Constitution, Article 29 of the Japanese Constitution, and the Fifth Amendment to the U.S. Constitution have all clearly defined that compensation should be paid on private property rights restrictions. In the context of historical developments, Germany in the 17th and 18th centuries considered that only the deprivation or restriction of property rights by the administrative authorities should be compensated, while the legal restriction of private property rights was excluded; thus, the right to claim public interest sacrifice was introduced. By the 19th century, public expropriation was embodied in the constitutions of the states, the system of public expropriation was established, and compensation became a necessary constituent element of public expropriation, which was defined by scholars as classical expropriation [20]. In the Weimar period, the concept of expropriation was expanded with Article 153 of the Weimar Constitution, under which the social obligation of the right to property was established, but with appropriate compensation. Not only the administrative authorities but also the law could restrict the right to private property, not for public purposes only, but as long as it was for the public interest, which was defined by scholars as the expansion of the concept of expropriation in this period. After World War II, Article 14 of the Basic Law of Germany further stipulated that expropriation for legal purposes must be accompanied by compensation, and that expropriation and compensation are *iunctim* (Junktimklausel). With the expansion of the concept of expropriation, compensation became a necessary element of legislation to restrict private property rights: “Compensation for public expropriation is the result of the intentional infringement of the people’s property rights by the public power of the government, and the people are forced to make special sacrifices for the public interest, so the government should compensate those who have lost their property” [21]. In summary, other countries around the world have adopted legislation expressly stating that compensation is required for land expropriation.

Now that it is established that compensation should be given for land expropriation, the next question is whether compensation should be given for all land expropriation. If not, when should compensation be given for land expropriation in urbanization? In China’s urbanization process, on top of land expropriation or requisition, there are also a large number of regulatory takings, such as landscape control. Is compensation needed for this kind of regulatory takings? The reason why land expropriation in urbanization is controversial is closely related to the imperfect compensation mechanism, and “compensation” is the only access to relief for Chinese citizens for land expropriation at this stage. Thus, building a fair compensation mechanism is of prime importance, while determination standards for compensation are also a top priority. Given that China’s Constitution and laws do not stipulate whether compensation is to be given for other forms of property rights restriction other than traditional expropriation or requisition, nor do they clearly stipulate the determination standards for compensation, this can be clarified by referring to the experience of other countries, especially the United States and Germany, so as to reduce the risk of litigation caused by non-compensation for land expropriation during urbanization.

4.1.2. Compensation Determination Standards for Land Expropriation

At present, the consensus reached by other countries is that compensation should be given as long as the land expropriation exceeds the tolerance of citizens’ private property rights and causes special sacrifices for citizens. In order to determine when land expropriation constitutes a special sacrifice, it is necessary to first clarify the definition of special sacrifice. Many scholars have generalized the meaning of special sacrifice. According to some scholars, “special sacrifice refers to the unequal burden imposed by the state in the exercise of public power for the public interest, not generally with the same effect or limitation on the general population, but on certain specific persons, beyond the scope of their social responsibility to endure” [22]. Other scholars believe that “special sacrifice means that the right to the property value of individuals is lost or severely restricted by the act of lawful public authority, causing more sacrifices to a such individual than the

general public, which results in the loss or severely restriction on the right to property value" [23]. In other words, if the restriction of private property rights of citizens based on public interest causes a special sacrifice to the subject, this means that the scope of social obligation of property rights is exceeded and constitutes an excessive restriction of property rights. It can be seen that behind the special sacrifice theory, there is the consideration of the principle of equality [24]. In other words, particular individuals bear social burdens that should not be borne, and drawing on the special sacrifice theory, China should compensate citizens for special sacrifices if such special sacrifices are caused during land expropriation.

As for the determination of special sacrifice, before 1922, the United States required the government to compensate the subject of the property right when the government used its power of governance to physically change the ownership of the private property right, which was the "physical taking" standard. [25] Later, beginning with the *Pennsylvania Coal Co. case*, "the diminution of the value of the property" became the new standard for determining special sacrifice. The court said, "One fact for consideration in determining such limits is the extent of the diminution. When it reaches a certain magnitude, in most, if not in all, cases there must be an exercise of eminent domain and compensation to sustain the act. So the question depends upon the particular facts" [26]. Subsequently, in order to accurately determine the diminution extent of the private property, Justice Brennan, based on Justice Holmes' opinion, held that the court will look at the following three factors when determining whether a regulatory taking (special sacrifice) had occurred: first, the economic impact of the regulation on the claimant; second, the extent to which the regulation has interfered with distinct investment-backed expectations; third, the character of the governmental action [27]. Although the *Pennsylvania Coal Co. case* and the *Penn Central Transportation case* provided standards for determining the extent of restrictions on private property rights, we cannot avoid evaluating the interests in each individual case. In *Lucas* [28], a milestone in the standard for determining the constitutionality of restrictions on private property rights in the United States was reached when Justice Scalia held that despite the achievement of public interest, if all economically beneficial use of the property is derived from the person whose property is restricted, a regulatory taking occurs and compensation is required. This is the Lucas rule [29]: "It constitutes a taking when a government regulation denies all economically beneficial or productive use of land from the property owner" [27]. In summary, the standard for determining special sacrifice in land expropriation in the United States is twofold: first, whether it substantially promotes the public interest; and second, whether it denies all economically beneficial or productive value of the property rights. If the land expropriation process was not performed to substantially promote the public interest or if it substantially promoted the public interest but resulted in a loss of economic value, a special sacrifice is established and compensation is required.

The German standard for determining special sacrifice differs slightly from that of the United States in that it proposes a theory of property rights protection. On the one hand, German scholars believe that constitutional property rights should be protected by both survival protection and value protection. From the perspective of survival protection, constitutional property rights mean freedom for citizens, i.e., the exclusion of non-consensual interference from others; from the perspective of value protection, since the freedom value of property right is damaged, it should be restored to its full state and fair compensation should be given. Scholars from Taiwan of China call this "first protection" and "second protection" [30], that is, if the freedom attribute of property rights is damaged, no matter for what purpose, even for the public interest, a special sacrifice of the property right occurs and fair compensation is needed. "In addition to the fact that the state of holding of private property may not be violated without due process, justified reasons, and legislative authorization, even in compliance with due process of law, the violation of the security of survival protection (i.e., deprivation of ownership) can be exchanged for the security of property value (compensation for the exchange value of the property), i.e., the requirement of compensation for expropriation" [31]. On the other hand, property rights have social

obligations. The socialization of property rights affects the country's economy and people's wellbeing, which has significant constitutional value and is part of the value attribute of property rights. If the restriction of a property right is related to its value attribute, it means that the property rights are required to bear social responsibility, and then no compensation is required for their restriction. "In terms of the connotation of the property right guarantee, the priority is the survival guarantee, and the value guarantee only takes a secondary and auxiliary position" [32]. As a result, the key to the determination of special sacrifice of land expropriation is whether the land expropriation involves the property rights of citizens in terms of freedom or value. If the degree of value is exceeded, it means there is a violation of the property rights of citizens in terms of freedom, which constitutes a special sacrifice and should be compensated.

The United States and Germany have relatively unified standards for the identification of special sacrifice, and in recent years, scholars in Taiwan of China have also conducted studies on special sacrifice. The current consensus is that as long as the tolerance of private property rights is exceeded, no matter whether it is legal or not, the subject of private property rights should be compensated [33]. For example, Wang Fuqing believes that although the Constitution allows the state to restrict people's private property rights based on the public interest and in accordance with the principle of legal reservation and proportionality, the state should be obliged to compensate for the lawful restriction of private property rights to a certain extent or meet certain requirements [34]. As to what standards should be used in Chinese Mainland to determine whether land expropriation constitutes a special sacrifice, this article believes that the experiences of the United States, Germany and Taiwan of China are all worth learning from. The commonalities from the above experiences lies in their emphasis on the proportionality between means and ends. Whether it is a requirement to substantially promote the public interest or not to deny the economic or free value of property rights, the rationale behind it is to emphasize the consistency of means and ends. Therefore, the determination of special sacrifice can be clarified by the principle of proportionality. Some scholars, by examining German law, found that the principle of proportionality has long been adopted in judicial practice as the standard for determining special sacrifice [35]. "The extent to which the restriction is beyond what the property rights of the people should endure should be weighed against the purpose of the act, the means of restriction, and the result. If the means are appropriate for the purpose and the restriction of the use of the land is minimal, then it is a social obligation that the people should bear while enjoying property rights, and the reasonable restrictions imposed by the state via law are not inconsistent with the fundamental purpose of the Constitution to protect people's property rights" [36]. In view of the above, this article believes that the principle of proportionality should be the standard for determining whether a special sacrifice is constituted.

4.2. Diversity and Selection of Compensation Standards for Land Expropriation

4.2.1. Compensation Standards for Land Expropriation in Legislative Texts

At present, as Article 13 of the Constitution of China does not stipulate specific compensation standards, the standards of compensation for land expropriation are not consistent in Chinese legislation. Some laws use the term "appropriate compensation", such as Article 65 of the Land Management Law; some laws use the term "corresponding compensation", such as Article 20 of the Urban Real Estate Management Law and Article 2 of the Sino-Foreign Equity Joint Venture Enterprise Law; some administrative regulations use the term "fair compensation", such as Regulations for the Expropriation of and Compensation for Housing on State-Owned Land; and some laws do not use any specific compensation standards, such as Article 12 of the Emergency Response Law, which uses the term "give compensation". The inconsistency of laws and regulations on compensation standards for land expropriation can easily lead to social conflicts because of inadequate relief for citizens' rights and interests.

Since most Chinese laws delegate the power to set compensation standards for land expropriation to local legislation, in order to understand the compensation standards in local legislation, this article uses the PKU Law database to retrieve a total of 55 local legislation texts related to land expropriation and compensation standards that are currently in effect, including 28 local laws and regulations and 27 local government regulations, by entering the keywords “land management”, “land expropriation”, “compensation”, “compensation standards” and “land acquisition” into the title search column.

As can be seen from Figure 3, 25 local legislative regulations have specific compensation standards (13 local laws and 12 local government regulations), accounting for 45.5%, while a total of 30 local legislative texts do not have specific compensation standards (22 local laws and 8 local government regulations), accounting for 54.5%. To sum up, the degree of refinement of specific compensation standards for land expropriation in Chinese local legislation is not high, which leads local governments to rely on policies or experience for compensation in land expropriation due to the lack of a specific legislative basis, thus inducing conflicts over land expropriation.

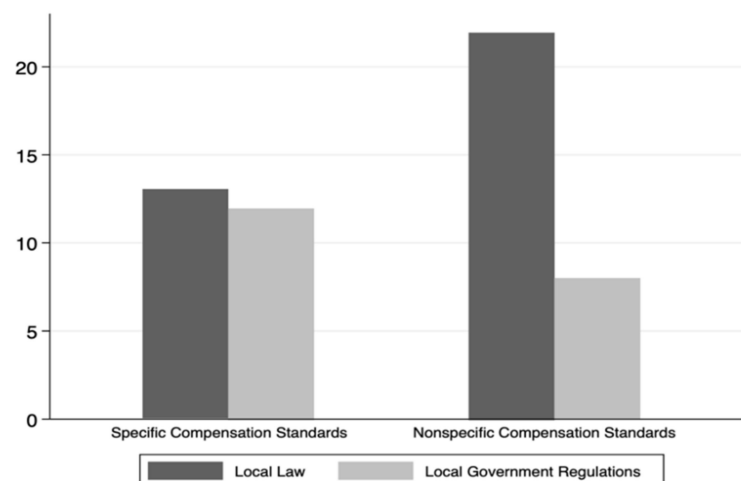


Figure 3. Statistical chart of compensation standards for land expropriation in local legislation.

From Figure 4, it can be seen that local laws and local government regulations without specific compensation standards demonstrate the following characteristics. The first is the authorization model of the compensation standard. Specifically, the authorization model is subdivided into authorizing lower-level governments to formulate, authorizing lower-level governments to formulate with approval required, authorizing competent government departments to formulate and submit for approval, and authorizing lower-level governments to formulate and establish minimum compensation standards, etc. For example, Article 27 of the Measures for the Implementation of the Land Management Law of the People’s Republic of China of Gansu Province stipulates that “the people’s governments of cities (states) and counties (cities and districts) shall formulate specific standards for the comprehensive land price of the area in this administrative region, and report to the provincial people’s government for approval”. The second is the compensation standard reference model. For example, Article 30 of the Measures for the Implementation of the Land Management Law of the People’s Republic of China in Hunan Province stipulates that “the provincial people’s government shall formulate and announce the comprehensive land price for the expropriation of agricultural land according to the level of economic and social development, and divide the area by county (city or district) and specify its compensation standard and land type coefficient. The people’s governments of the cities and autonomous prefectures set up in the districts may formulate specific implementation rules according to the local reality, but shall not be lower than the compensation standards and land type coefficient determined by the provincial people’s governments”. The third is the compensation standard avoidance model. In this model, local legislation neither

provides for specific compensation standards nor specifies where to look for compensation standards. In summary, Chinese local legislative texts mostly follow a hierarchical authorization approach, attempting to transfer the power to set compensation standards for land expropriation. This has resulted in the reality that no single department sets compensation standards, setting the stage for land expropriation compensation practices.

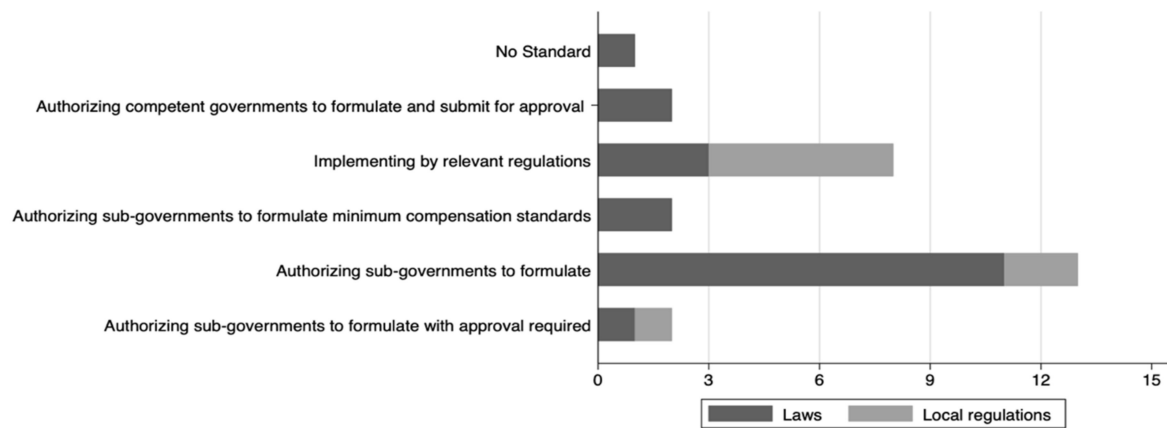


Figure 4. Statistical chart of types of compensation standards that are not specified in local government regulations and local law.

As can be seen from Table 3, among the local legislative texts that provide for specific compensation standards, most adopt the compensation method of multiples of annual production value for land expropriation, except for very few local government regulations that adopt the compensation method of selective compensation and comprehensive land price compensation for the area. The reason for this is that since the introduction of the concept of annual production value in the Regulations on the Requisition of Land by the State for Construction issued by the State Council in 1982, land expropriation compensation in China has been calculated using annual production value multiples. However, the amended Land Management Law uses the average annual production value to calculate the land compensation cost; land expropriation compensation includes land compensation fee, resettlement subsidy fee, and compensation fee for ground attachments and seedlings. Specifically, the land compensation fee is calculated as several times the average production value of the previous three years. It should be clarified that the multiplier varies according to land use. Some places in China divide the land into agricultural and construction land collectively owned by farmers, and some places divide the land by some products, such as farmland, forest land, fish ponds, vegetable land, etc. Different standards apply to lands of different types. The compensation multiplier is the core factor to determine the compensation standard. Unfortunately, at present in China, the specific compensation multiplier, i.e., the core element of the compensation standard, is decided by municipal and county people's governments, which is very likely to lead to unified and uncertain compensation standards in different regions.

Table 3. Statistical table of specific compensation standards.

	Selective Compensation	Comprehensive Land Price Compensation for The Area	Compensation for Multiples of Annual Production Value of Land Expropriated	Total
Local Law	0	0	13	13
Local Government Regulations	1	1	10	12

4.2.2. Compensation Standards for Land Expropriation in Judicial Practice

Given the vagueness of the Constitution and laws of China that provide for compensation standards for land expropriation, and the fact that some local legislative texts have specific compensation standards and some do not, the question of how much compensation is given in land expropriation remains an issue that should not be discounted in China. For this reason, we turn our research to the judicial field to examine what standard people's courts of China tend to adopt in judicial practice to determine the compensation fee of land expropriation. In this article, we use "land expropriation" + "compensation standard" + "administrative expropriation" + "judgment" + "2018–2020" as keywords in the PKU Law database; a total of 1665 administrative judgments are retrieved, and 493 valid administrative judgments are left by excluding duplicate and irrelevant cases. Through the typological analysis of the laws and regulations cited by the courts in these administrative judgments, we can roughly tell what kind of compensation standard the Chinese judiciary tends to adopt.

From Figure 5, it can be seen that people's courts of China have mainly invoked laws and administrative regulations regarding the determination of compensation standards in land expropriation cases. They are mainly the Land Management Law, the Urban and Rural Planning Law, the Rural Land Contract Law, etc. Unfortunately, none of these laws determine and describe specific compensation standards, but instead provide authorizing regulations, such as Article 48 of the Land Management Law, which stipulates: "the standards of land compensation and resettlement subsidy for the expropriation of agricultural land shall be determined by the provinces, autonomous regions, and municipalities directly under the Central Government through the establishment of the publication of the comprehensive land price of the area". In addition, the administrative regulations mainly invoked by people's courts of China are the Regulations on Compensation for Expropriation of State-Owned Land and Houses and the Regulations on the Implementation of the Land Management Law, which also provide no specific compensation standards, such as Article 32 of the Regulations on the Implementation of the Land Management Law, which stipulates that "provinces, autonomous regions, and municipalities directly under the Central Government shall formulate and publish comprehensive land prices for the area, determine land compensation fees for the expropriation of agricultural land, resettlement subsidy standards, and formulate methods for allocating land compensation fees and resettlement subsidies". At the same time, the regulations that people's courts of China refer to in trial are mainly the Measures for Public Notice of Land Expropriation, the Decision of the State Council on Deepening Reform and Strict Land Management, and the Measures for Public Notice of Land Expropriation, etc. Most of these regulations also have no specific compensation standard, and some of the regulations, although they also address compensation standards, are merely a repetition of the same relevant provisions of the Land Management Law. Last, the people's courts of China have also invoked relevant judicial interpretations and approvals in the course of trials, mainly, the Provisions of the Supreme People's Court on Several Issues Concerning the Trial of Administrative Cases Involving Rural Collective Land, which does not identify specific compensation standards and only guarantees the right of parties to apply for compensation, without explaining or identifying specific compensation standards.

It can be seen that people's courts of China maintain a very high level of judicial modesty, applying the vast majority of laws such as the Land Management Law, the Regulations for the Expropriation of and Compensation for Housing on State-owned Land, the Urban Real Estate Management Law, and the Civil Code, while the application of normative documents under the law is relatively rare, which reflects that courts relatively rely upon Chinese laws, and in cases involving the appropriateness of specific compensation standards for land expropriation, they tend to pass the buck to the law and will not answer whether the compensation standards are appropriate directly. However, as we know from the previous part of this article, Chinese law does not provide specific standards for land expropriation but delegates them to the lower levels of government for discretion,

which inevitably leads the courts to respect the autonomy between the administrative authorities and the citizens, and the conflicts arising from inadequate compensation are still not actually resolved.

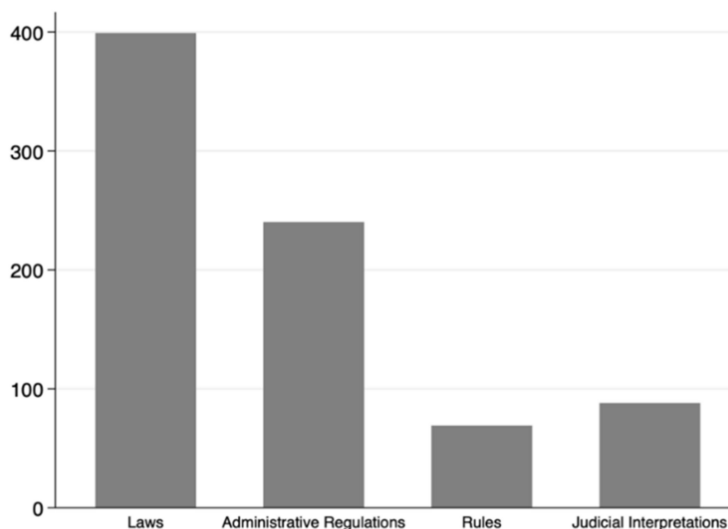


Figure 5. Statistical chart of the basis of legal norms invoked by Chinese courts.

4.2.3. Establishing Fair Compensation Standards for Land Expropriation

There are many existing laws and regulations regarding land expropriation in China, and the compensation standards are not unified, which may lead to insufficient compensation, thus causing conflicts over land expropriation. Additionally, people's courts of China tend to stand with the law in judicial practice instead of establishing a specific judicial judgment standard. In order to make up for the value damage caused to citizens by land expropriation in urbanization, this article believes that the compensation standard for land expropriation in China should focus on "fair compensation" and establish a corresponding mechanism around "fair compensation". Though the land policies of China are somewhat different from those of other countries, they are all faced with the same conflicts arising from land expropriation. It is worthwhile for China to learn from the measures of other countries for resolving the conflicts of land expropriation in terms of compensation standards for land expropriation.

Judging from the experience of other countries, although Germany and Japan have long held the idea of "full compensation", there is also a dispute between "proportional compensation" and "fair compensation". In Germany, based on the concept of the sanctity of ownership since the 19th century, the restriction of property rights was based on the standard of "full compensation" until the proposal of the social obligation of property rights in the Weimar period, which was changed to "equivalent compensation", and further changed to "fair compensation" based on the German Basic Law after World War II [37]. The United States proposed "adequate compensation" in the first draft of the Bill of Rights, and later established "just compensation" in the Fifth Amendment to the Constitution. In Taiwan of China, there is also controversy over whether to grant "full compensation", "equivalent compensation" or "reasonable compensation" [38]. Scholars advocate for "full compensation", but in judicial practice, "reasonable compensation" or "equivalent compensation" is used instead of "full compensation", and the market value is used as the standard. Taiwanese scholar Chang Yun-Chien studied this issue [39] and summarized Taiwan's legal system of land expropriation compensation precisely: "from 1954 to 1977, landowners reported their land value beforehand; from 1977 to 2012, the government estimated the land value beforehand; and in the new era after 2012, the government estimated the land value afterward" [40]. Germany, the United States and Taiwan of China,

for the most part, still adopt the “fair compensation” standard, and China can keep in line with them.

After the principle of “fair compensation” was established, other countries have further explored specific compensation standards and calculation methods. Article 95 of the German Federal Construction Law stipulates that the compensation for land expropriation shall be calculated according to the transaction price of the land to be expropriated. The transaction price shall be taken as the transaction price at the time when the expropriation authority decides on the application for expropriation.

U.S. property laws establish the constitutional test of reasonable compensation as one that compensates the owner of the property for the fair market value of its present value plus the discounted price for its future earnings [41]. Compensation for land expropriation in Canada is usually settled through informal negotiations between the statutory expropriating organization and the expropriated party. If the parties fail to reach an agreement, the expropriating organization shall provide the “legal offer” to the expropriated party during a certain period prior to the acquisition of the land. According to the rules, such compensation offer shall be based on the fair market value of the expropriated real estate in a competitive and open market and under all the conditions required to effect fair dealing [42]. It is easy to find that compensation standards in various countries are determined by or based on the market price of the expropriated land.

There are many laws and regulations regarding land expropriation in China, and the compensation standards are not unified, which may lead to insufficient compensation. In order to make up for the value damage caused to farmers by land expropriation in China’s urbanization, this article believes that the compensation standard for land expropriation in China could be unified as “fair compensation”, which is a useful reference to the experience of other countries. This is because whenever citizens’ property rights are infringed by public power, they have the right to receive equivalents from the State. However, due to the public ownership of land in China, the right to use land can be transferred with compensation, but the ownership right cannot be bought or sold; thus, it is impossible to use the market price of land as the standard of compensation in the land expropriation system in China as in other countries, because simple monetary compensation is not enough to meet the actual needs of social development and living needs of the expropriated [43]. Therefore, on the basis of considering the reality of China’s land policies, China should establish its own fair compensation standards.

Firstly, in terms of the compensation scope, it is required to expand the compensation scope for land expropriation and to comprehensively consider the existing interests, anticipated benefits, etc., of the expropriated land. Compensation for land expropriation shall include at least the following three aspects: First, the market price for the entry of the land use right into the circulation, i.e., the compensation for land expropriation should be based on the current market value of land use. Currently, the market price of China’s land is unilaterally determined by the government, and this pricing method should be changed. A sound mechanism for the evaluation of the market price of land should be established, and the price could be specified in the mode of composite land parcel prices. Second, the expected benefits from the land of the land use right holders. That is to say, farmers’ attachments to the land, seedling fees, etc., shall be included, and relevant values generated because of the land, such as the impact on reputation, goodwill, spiritual interest, etc., shall also be included. Last, there are additional expenses arising from land expropriation. The relocation expenses and rental subsidies incurred to farmers in the process of land expropriation, and the litigation fees, assessment fees, losses for loss of working time, and so on, arising from land expropriation conflicts shall also be calculated. Only by taking into comprehensive consideration the existing interests, anticipated interests, and interests from the land expropriated can it be ensured that the original living level of farmers whose lands are expropriated will not be lowered and their long-term livelihood is guaranteed.

Secondly, in terms of compensation objects, not only the land-use right holders but also the interested parties should be compensated fairly. Since China’s land contractual

management rights may be circulated, land use right holders and management right holders may be separated, so the interests of land use right holders and interested parties shall be taken into consideration at the same time when making compensation for land expropriation.

Thirdly, in terms of compensation methods, compensation should be made mainly by monetary means and supported by other methods so as to achieve diversity in compensation methods. First of all, we must give adequate consideration to the re-employment of the landless farmers, because the expropriation of the land means that the farmers lose the once stable guarantee of survival, and the government shall provide employment guidance services and encourage landless farmers to find jobs on their own. Second, the government shall guarantee their rights and interests in medical insurance, pension insurance, and unemployment insurance, so as to protect their survival rights to a greater extent and grant them equal treatment with urban residents. In short, it is necessary to compensate for the expropriation of land in the best way to protect the rights and interests of farmers.

Fourthly, in terms of the compensation term, compensation shall be paid within a prescribed time limit to avoid the farmers' further loss due to delayed payment of compensation while they lose land.

To sum up, in order to establish fair land expropriation standards, China needs to improve its systems in terms of objects, scope, methods, and terms of compensation, and only by so doing can the legitimate rights and interests of landless farmers be adequately guaranteed and the conflicts of land expropriation in the urbanization process be effectively relieved. Therefore, we believe that it is necessary for China to formulate a unified "State Compensation Law" to provide a clear legal basis for farmers' remediation and compensation after land expropriation.

5. Conclusions

The process of urbanization is manifested in many ways, with the expansion of geographic space being one of its most prominent features. This is particularly evident in China. Given the limited urban space in China, the urbanization process inevitably generates the expropriation of farmers' land, and in recent years, the number of lawsuits on land expropriation conflicts in China has been increasing. Some have even led to violations of public order. For this reason, we would like to examine whether there is a link between the urbanization process and the increase in land expropriation conflicts in China. More importantly, if the urbanization process has objectively increased land expropriation conflicts, what has caused such conflicts to intensify? In order to solve these two questions, this article focuses on China's land expropriation compensation system from a jurisprudential perspective. By looking into legislative texts and judicial precedents, we aim to find out under what kinds of circumstances urbanization has caused special sacrifices to farmers and what kinds of compensation standards have been determined by Chinese courts after causing special sacrifices. As a result of our study, we have reached the following conclusions.

First, there is a causal relationship between China's urbanization process and land expropriation conflicts. This article identifies the causal relationship between China's urbanization process and land expropriation conflicts through a fixed-effects model, and the results show that the urbanization process has led to an increase in land expropriation conflicts. The benchmark estimates in this article are still robust after considering robustness tests on variable measures and the omission of significant explanatory variables.

Second, the reason why China has so many conflicts in urbanization is closely related to its defective compensation system for land expropriation. The reliability of the above findings is corroborated in this article by an empirical analysis of the administrative judgments from China Judgement Online and the PKU Law database.

Third, there is an inconsistency between the doctrinal and judicial standards of compensation for land expropriation in China. Chinese law does not specify clear compensation standards, but grants the authority to set compensation standards to local governments. Unfortunately, Chinese local governments do not refine compensation standards enough and

mostly rely on experience or policy enforcement, and this directly leads to the contradiction between local standards and judicially determined standards.

Fourth, the compensation system for land expropriation is the key to alleviating land expropriation conflicts in China. In order to improve the compensation system for land expropriation, we must first answer the questions of “whether compensation should be paid” and “how compensation should be paid”; this article holds that if the expropriation of land based on urbanization leads to the infringement of citizens’ freedom, it exceeds the scope of social obligation of property rights and constitutes a special sacrifice of citizens, at which time the land expropriation needs to be compensated. Under the premise of the legalism of compensation, fair compensation should be given priority. The compensation standards shall take into account farmers’ existing interests, anticipated interests, and all expenses arising from land expropriation.

The findings of this article provide a basis for solving the contradictions arising from land expropriation in China’s urbanization process and are of great practical significance. The compensation standard for land expropriation is the key to alleviating the contradiction of land expropriation, which is related to the stability of society and the interests of landless farmers. Unfortunately, due to the topic and length limits of the article, the specific judicial compensation standard and its calculation method are not discussed in this article, and further research can be conducted in this area in the future. We must gradually establish a judicial standard for land expropriation compensation, improve the compensation and resettlement mechanisms for landless farmers under the concept of fair compensation, and fully consider the actual losses and expected benefits of landless farmers, so as to balance the urbanization process and farmers’ rights and interests and achieve sustainable development and social stability.

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