

Now is the right time for major land reform

By Tseng Shu-cheng

Farming groups recently organized an overnight protest on Ketagalan Boulevard in front of the Presidential Office against land seizures, and a few months ago, the Snails Without Shells movement that 21 years ago protested against soaring housing prices reappeared at the same place. The land situation in Taiwan has deteriorated sharply in the past two decades, bringing hardships to people in cities and the countryside.

The protest by the farmers could be seen as a desperate call as they are pushed to the edge of survival. From a systemic perspective, distorted value and land systems also pose a serious challenge to the public as a whole.

Because land prices in Taiwan are not subject to any restrictions, the cost of the land is generally high. Companies wanting to acquire land for factories cannot afford to do so at market prices. They therefore call such plans “infrastructure investments” to push the government to expropriate the land they need. On the other hand, the government can’t afford to purchase land using public funds and therefore it uses its powers to transform farmland into land for construction in order to attract investors.

In recent years, several cities and counties have obtained land through expropriation or redistricting. This practice has been seen as symbolic because of the government’s ideological pursuit of development. Several cases of successful expropriation have also created countless nouveau riche.

However, not everyone is pleased with what has happened. We never hear about those farmers who do not want the classification of their farmland changed, those who want to continue to till the land. These farmers, however, are in the minority and their values are out of step with mainstream opinion.

Many countries with a free market economy have placed controls on the price of land. Germany is a good example of this. The German government focuses on its citizens’ right to make a living and that is why it has many laws and mechanisms to prevent the government from rashly expropriating land. Instead, it has developed ways to purchase land at the going market rate or to exchange land. Furthermore, because the government has to acquire land at the market price, it is forced to implement policies to control prices.

The outcome of this is that land prices remain reasonable, speculation is not encouraged and people’s rights do not suffer under government infrastructure plans. In addition, the government must explain its construction plans, which serves to improve planning and administrative expertise. This is a reasonable and positive self-reinforcing mechanism.

To bring about long-term improvement, the government must learn from mistakes, reform the land system and lead Taiwan toward reasonable real estate values. The question is whether the farmers can, through their protest on July 17, turn their suffering into a catalyst that will push the rest of us to take action to bring about the land reform. I hope for the sake of all of us that the answer is yes.

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(The article was published on Taipei Times on Jul 26, 2010, Page 8)

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