absolute rent 12–13
accessibility/effects of ML2 (hedonic regression model variable) 146, 147
accountability 161, 164, 178, 187–8, 191
Adams, J.S. 50
adjacent bus stations (hedonic regression model variable) 147, 148
Alexander, G.S. 19–20
Alterman, R. 20–21, 33, 57
ambiguity/vagueness of property rights 2, 112–15
Anderson, James 13
Anju housing 100
Archer, R.W. 31, 51
ASP (average selling price) 138–9
asset rights 27
assignment fee (LURs system) 71, 83–6, 90, 99, 118
Atmer, T. 48, 49, 52
Banister, D. 42, 44
Barzel, Y. 27, 28, 37
benchmark prices (BMP) 167
Berechman, J. 42
Bertaud, A. 65
‘best practice institutions’ 31
betterment assessment of 42–4, 185
capture approaches 45–55
defining 4–5
and distribution of income 3
and externalities 23–4
future research 193–4
Guangzhou case studies 127, 149
international applicability 41
obstacles to 110–18
and structure of property rights 1, 2
and transaction costs 25–6
betterment levies 45
‘big bang’ approach 31–2
Bird, R.M. 86
Black’s Law Dictionary 5–6
Blanchard, O. 177
‘blight notices’ 57
Booth, P. 34
BP (Building Permit) 71
bribery 95, 108–9, 115–16, 118
Bromley, D.W. 27, 30
Bryant, R.W. G. 59
building age (hedonic regression model variable) 147, 148
building characteristics (hedonic regression model variable) 145, 147
building height (hedonic regression model variable) 147, 148
Burton, J. 35
C/V (constant capital/variable capital) ratio 13
capitalism 12, 16, 32, 35, 36
Castells, M. 31, 35–6, 52
central–local relationship 103–5, 117
‘certainty’ 162–3, 164, 187
Chen, H. 165
chengzhongcun 169–76, 191
Cheung, S.N.S. 2, 24, 25, 27, 32, 35, 38, 110–11, 176, 192
China Daily (newspaper) 104
China Industrial and Commercial Times (newspaper) 106
China Land and Mine Resources Law Center 74–5
China Youth Daily (newspaper) 99
Chow, G.C. 192
City Construction Commission (Guangzhou) 153
city master plan 107
City Planning Act (1990) 107
City Planning Act (2008) 70
clarification of property rights 190–91
Coase, R.H. 2, 23, 24–5, 28, 34
Coase theorem 23, 24
collective ownership 67, 113–14
communism 28, 32, 35
Communist Party 1, 64, 90, 180
compensation
assessment of 185
and ‘blight notices’ 57
compensation standard 59–61, 97–100, 102–3, 110, 118, 132
defining 5
and distribution of income 3
future research 193–4
Guangzhou case studies 127, 131–2, 133, 150
implementing schemes 99–103
international applicability 41
and land nationalization 54
land requisition approach 96–7, 101–2, 169
and land value increment 18
obstacles to 110–18
and special assessment 55–6
and surplus land value 25–6
‘taking’ or ‘regulating’ 58–9
and transaction costs 25–6
and transferable development rights 56, 60
compensation standard 59–61, 97–100, 102–3, 110, 118, 132
compulsory purchase 57, 59, 61, 97, 100, 101–2, 117, 118, 131–2
conditional zoning 50
Congressional committee system 39
Conservative Party (Britain) 41, 46
Constitution of China 32, 37, 64, 66, 100–101, 180
Constitutional Amendment Act (1982) 180
Construction Commission 68–9, 111–12
contract tax 88
coop-erative societies 66, 113
corruption 21, 48, 52, 95, 115–16, 118–19, 164, 188–9
cost–benefit analysis 116, 149
Criteria of Planning and Design in Urban Residential Areas (1993) 94–5
cultivated land, loss of 67, 78–9, 81, 85
cumulative appreciation indexes 142–4
danwei 72, 99, 112–13, 166–9, 179, 190, 191
‘deadweight loss’ 17
decoration cost 141
deflation 5, 130
Delafons, J. 55
Demsetz, H. 26, 27
Deng Xiaoping 77
Denzin, N.K. 126
Development and Reform Commission 68, 69, 70–71
development tax 45, 46
Dictionary of Political Economy 4–5
differential rent 13–16
Ding, C. 66
direct value capture 20–21
‘discretion’ 187
diversity of property rights regimes 29–31
Doebele, W.A. 60
downzoning’ 55
Duguit, León 19
Duncan, S. 35, 48
Dunkerley, H.B. 45
Economakis, G.E. 13
economic reform
gradualist approach 32, 36, 65, 105–6, 112, 192
housing affordability policies 79–80
and informal property rights 165–7, 192
and institutional change 31–2, 176–82
and land financing 75–6
land market establishment 65–6, 72–3
and land nationalisation 64–5
macro control measures 73–5
problem-solving approach 192
role of property rights in 31–2
and state intervention 38–9, 103–10
and structure of property rights 1, 2
‘trial and error’ approach 32, 165
and urban sprawl 78–9
economic relations 27, 176
economic rights 28, 114, 176
EDL (economic development land) 169–70
Eggertsson, T. 25, 27, 29, 34, 37
‘Eight Measures’ 74
‘enabling measures’ 38
entrepreneurialism 31, 32, 38, 101, 105–6
‘equalization of land rights’ 63–4
Ersha Island 133–4
Evans, A.W. 59
evolution of Chinese land tenure 63–4
exactions 49–50
‘existing market value’ 100
externalities
   and betterment 23–4
   and contracts 24
   ‘internalization’ of 2, 3, 23–4, 26–7, 153
   and planning control 161, 162–3
   and transaction costs 24–5
   and worsenment 23–4
‘extra-budgetary’ revenues 38, 117
‘fair compensation’ 101, 118
farmland requisition tax 87
Farrier, D. 54–5
Feder, G. 30
Feeny, D. 30
fertility levels 13–15
‘Fifteen Measures’ 74
Fischer, S. 177
Flechner, H.L. 47, 48
floor space (hedonic regression model variable) 147, 148
food security 104
formal constraints 29
Foster, S.R. 19
‘Four Trillion Plan’ 77, 128
free land allocation 65
freeholds systems 5, 30, 51, 52
‘free-ridership’ 29, 39, 65, 150
Friedman, Milton 17
Furubotn, E.G. 27, 28–9, 34
future research topics 192–4
GDP (gross domestic product) growth 75, 76–8, 85, 106, 110, 127–8
George, Henry 3, 16–17, 54
Gini coefficient 109
GIS (geographic information system) 111, 112, 116, 184, 189
government incentives 177–8
government revenue (Guangzhou case studies) 128–30
gradualist reform approach 32, 36, 65, 105–6, 112, 192
Green, B.D. 61
Guangzhou
   administrative framework 153–5
   case studies see Guangzhou case studies
   and chengzhongcun 169–76
   and informal property rights 165–76
   and institutional change 153–5, 176–82
danwei system 166–9
Guangzhou case studies
   and betterment 127, 149
   case selection 121–4
   and compensation 127, 131–2, 133, 150
   data collection 124, 126, 138–9
   evaluation criteria 127
   expansion of Guangzhou 123–4, 125, 131
   government revenue 128–30
   and hedonic regression model 144–9
   and housing prices 122, 138–49
   IRR project 122, 136–8, 139, 143–5, 149, 150–51, 185
   land revenue 128–31
   ML2 project 122, 135–6, 138, 139, 142–5, 146–9, 150–51, 185
   municipal-level case study 121–2, 127–34, 185
   project-level case study 122–4, 135–50
   and real estate market 121, 122–3, 126–9, 133, 139–40, 146, 185–6
   and repeat-sales model 140–44
   sample selection 135–8
   transport infrastructure investment 149–50
   urban infrastructure investment 130–31
   and worsenment 127, 132–4
guanxi 102, 116, 117, 164
GZLRB (Guangzhou Land Resources Bureau) 154, 155
GZUPB (Urban Planning Bureau, Guangzhou) 154, 155, 161–2
Hagman, D.G. 5
Haila, A. 17
Hallett, G. 45, 57
Ham, C. 187
Hangzhou Land Banking Center 91–3
Hanxian International Ltd 133–4
hedonic regression model 42–3, 44, 144–9
heteroscedasticity tests 147, 148–9
Hill, M. 187
Hobbes, Thomas 18
Home Loss Payments 57
housing affordability policies 79–80, 160–61
housing prices
and Anju housing 100
and Guangzhou case studies 122, 138–49
hedonic regression model 42–3, 44, 144–9
housing affordability policies 79–80, 160–61
and land banking 92–3
and ‘real estate fever’ 72
repeat-sales model 43–4, 140–44
and taxation 90
see also real estate market
Ho, H.H.H. 6, 192
HURD (Housing and Urban–Rural Development) 68, 69
illegal construction 163–4
IMGP (interactive multiple goal programming) 116
impact fees 49–50
income inequality 3, 109
incompetent governance 115–16
indirect value capture 20–21
individual actors 36–8
inflation 5, 47
informal constraints 29
informal development rights 112–14
informal property rights 165–76, 178, 182, 191, 192
information infrastructure 189–90
information, access to 110, 111–12, 189–90
infrastructure charges 45
Infrastructure Construction Commission (Guangzhou) 153
‘infrastructure construction’ 102
‘inherent value’ of land 54
institutional change 31–2, 38, 110–11, 153–5, 176–82, 184, 186, 189–93
Institutions, Institutional Change and Economic Performance (book) 36
insufficient expertise 116–17
‘internalization’ of externalities 2, 3, 23–4, 26–7, 153
interviews (Guangzhou case studies) 126
IRR (Inner Ring Road, Guangzhou) 122, 136–8, 139, 143–5, 149, 150–51, 185
Jaèger, J. 10
Jaffe, A.J. 30
Jones, Richard 14
‘just compensation’ 60, 101
Kanamori, T. 180
Kiser, L.L. 37
Koslowski, R. 36
Kuomintang regime 1
Labour Party (Britain) 41, 46
Land Acquisition Act (1973) 60
Land Administration Act (1962) 60
land auction and tender 67, 70–73, 84, 92, 122–3, 156, 157, 189
land banking 47–9, 72–3, 91–3
Land Banking Center 72–3
land capital gains tax 88–9
land dedication requirements 49–50
land financing 75–6
land law violation 118
land lease expiration 84
and chengzhongcun 171
and collective ownership 113
and compensation schemes 96, 97, 99, 101
and land supply policies 158
Index

and legal framework of LURs system 67, 81
and loss of cultivated land 79
and macro-control measures 75
and role of state in land market 105
and weak law enforcement 117
land market
and central–local relationship 103–5, 117
and city master plan 107
defining 5–6
dual-track system 178–9
efficiency/equity trade-off 109–10
establishment of 65–6, 72–3
formal rules and regulations 156–65
future research 194
and general economy 76–8
and government incentives 177–8
growth of private sector 180–82
and informal development rights 112–13
institutional change in 176–82
land auction and tender 156, 157
land supply policies 156–61
land supply structure 158–60
and local developmental state 105–6
and local plans 106–7
and LURs system 71, 76
macro control measures 73–5
negotiation of land supply 156–8
planning control 161–5
role of state in 103–10, 118–19
and site development control plan 108–9
stakeholders in 103–4
supply and demand 158
land nationalization 53–5, 64–5
Land Nationalization (book) 53–4
land quota system 74
land readjustment 52–3
land rent theory 10–17
land requisition approach 96–7, 101–2, 169–70
Land Resources Department 68, 69
land revenue (Guangzhou case studies) 128–31
land supply policies 156–61
land supply structure 158–60
land taxation 45–7
Land Tribunals 61
land use density (hedonic regression model variable) 145, 147
land use tax 87–8
Latham, K. 153
LDN (Land Development Notice) 71
lease expiry 114–15
Leasehold Reform Act (1967) 61
leasehold systems 30–31, 51–2
legal framework of LURs system 67–8, 81
legal rights 28, 114, 175, 176
Li, D.D. 32, 112, 115
Li, L. 179
liberalism 19, 21
Lichfield, N. 44
Liew, L.H. 36, 38, 105
Lijiang Garden 134
linkage programmes 50
local developmental state 105–6
local plans 106–7
Locke, John 18–19, 20
Louziotis, D.J.R. 30
LRB (Land Resources Bureau) 69, 70–71, 97, 112, 140, 154–5
lump-sum fees 84–6, 128
LUPP (Land Use Planning Permit) 71, 94, 108
LURs (land use rights) system
acquisition of 70–71, 73
administrative framework of 67–71, 81
assignment fee 71, 83–6, 90, 99, 118
and collective ownership 113–14
and corruption 115–16
defining terminology 5–6
establishment of 66, 71–2
framework of 66–71, 81
and government incentives 177–8
and Guangzhou administrative framework 154–5
and Guangzhou case studies 122, 123, 128–30, 132–3, 140–41
and informal property rights 166–7, 168–9
and information infrastructure 189–90
key research questions 4
and land banking 91–3
and land financing 75–6
and land market 71, 76
and land requisition approach 96–7, 101–2
and land supply policies 156
and lease expiry 114–15
legal framework of 66–7, 81
literature on 1
and macro control measures 75
and marketization of property rights 23
and real estate market 71–2
and role of state in land market 104–5
value capture schemes see value capture schemes
LVT (land value tax) 17, 64

macro control measures 73–5
Malthus, Thomas 11–12
market economy 31–2, 35–6, 97, 179, 191, 192
marketization of property rights 23
Marshall, Alfred 17
Marx, K. 11, 12–13, 14–15
McAuslan, P. 54–5, 59
McKean, R. 27, 28
Mill, Sir John Stuart 53, 54
ML2 (Guangzhou Metro Line 2) 122, 135–6, 138, 139, 142–5, 146–9, 150–51, 185
MLR (Ministry of Land and Resources) 68, 69, 73, 85–6, 115–16
MOHURD (Ministry of Housing and Urban–Rural Development) 68, 69, 94, 100
monopolies 3, 11–12, 18, 33, 64, 73, 92
monopoly rent 16
Montgomery, J.R. 31, 52
‘multiple methodologies’ approach 126
municipal-level case studies 121–2, 127–34, 185

National Inspection Bureau 115
negotiation of land supply 156–8, 189
neoclassical economists 25, 26, 27–8, 32
New Institutional Economics 23, 165, 176, 184, 185
NICs (newly industrializing countries) 35
non-state sector 180–82, 187
North, D. 25, 28, 29, 34, 36, 37, 39, 153, 185–6
Oi, J.C. 35, 38–9
‘open space construction’ 102
opportunity costs 35, 48, 65
Ostrom, E. 37
overall floor space (hedonic regression model variable) 147, 148

Payne, G. 3, 30, 33
Pearl River Delta (PRD) 123–4, 156
Pejovich, S. 27, 28–9, 34
pension payments 98
personal security 18
Petty, William 10, 13
Pigou, A.C. 23–4
planning control 161–5
planning gains 50–51
planning obligations 93–6
planning parameter amendment 84, 132, 165
PLL (Projects Location Licence) 71
plot size (hedonic regression model variable) 147, 148
policy implications 186–91
political relations 27–8
pollution 23–4, 122, 136, 146, 149, 167
‘predatory state’ approach 34–5
primary land market 6, 156
Principles of Taxation and Finance (1950) 86
private costs 24–5
‘private goods’ 19, 20
private value of land, defining 17
problem-solving approach 192
project-level case studies 122–4, 135–50
Property Advisory Group 51
Property Management Department 112
property taxes 45–6, 49, 86, 90–91
Provision for Real Estate Taxes (1986) 87
Provisional Regulations on Land Capital Gains Tax (1994) 89
Provisional Regulations on the Conveyance, Granting and Transferring of the State LURs in Cities and Towns (1990) 67, 81
Provisions for City Planning of Guangzhou (1996) 161, 163
public facilities (hedonic regression model variable) 147, 148
Public Facilities Bureau (Guangzhou) 153
‘public interest’ 19, 34, 117, 134
public land leasehold system 51–2
public ownership of land 31, 47, 51–2, 54, 80
‘public purpose’ 102
‘public squatting’ 65
public value of land, defining 17
public–private partnerships 106
‘pure products’ 10–11

Qian, Y. 31, 177, 188, 192, 193
Qing Dynasty 1

R&F Property Group 168
‘rateable value’ 86
‘real estate fever’ 72
real estate market
and chengzhongcun 174–5
and compensation schemes 96, 100
and danwei 166–7
defining 5–6
emergence of 1
future research 193–4
GDP growth rates 76–8
Guangzhou administrative framework 154–5
Guangzhou case studies 121, 122–3, 126–9, 133, 139–40, 146, 185–6
and government incentives 177–8
and hedonic regression model 42–3
information disclosure 111–12
lack of participation in 3–4
and land banking 93
and land capital gains tax 88–9
and land financing 75
and land market 76–8, 156, 158–60
and local developmental state 106
and LURs system 67–70, 71–2
macro control measures 74–5
and non-state sector 180–82
policy implications 188, 189–91
and role of state 106–7
and taxation 46, 86–91, 118, 126–8
see also housing prices
‘real property’ 6, 7, 18–20, 59, 86
REB (Real Estate Bureau) 69
Reflections on the Formation and Distribution of Wealth (Book) 10
‘regulating’ 58–9
Renaud, B. 65
repeat-sales model 43–4, 140–44
research questions 4
resource allocation 24–5, 27, 34–5, 39, 87, 110, 178
RETC (Guangzhou Municipal Real Estate Transaction Center) 138, 142
Ricardo, D. 11, 12, 13–14
Riker, W.H. 27
Rossiter, A. 47
Royal Institution of Chartered Surveyors (RICS) 42
Royal Town Planning Institute (RTPI) 51
Scully, G.W. 29–31
Seabrooke, W. 6, 192
Second Home Purchase Restriction (2010) 74, 75, 79–80
secondary land market 6
Sened, I. 27
‘shock therapy’ process 115
Shoup, D.C. 48
site development control plan 108–9
site value taxation 46–7
‘Six Measures’ 74
Smith, Adam 11, 12
social costs 24–5
social function theory 19–20
‘social goods’ 19, 20
social obligation 19–20
social order 18
social relations 10, 17, 27, 176
socialism 19, 21, 31–2, 66, 81, 109–10, 179, 180
SOEs (state-owned enterprises) 72, 92–3, 167, 179, 181–2, 186
special assessment 55–6
stamp duty 88
Startup, T. 47
state intervention
and accountability 187–8
and discretion 187
and economic reform 38–9
housing affordability policies 79–80
in land market 103–10, 118–19
macro control measures 73–5
policy implications 186–9
rationale of 33–4
role in economic growth 34–6
and transparency 187, 188
state ownership 29–31, 64, 67, 113, 117–18
Stiglitz, J. 17, 35
Stockholm 47–8, 49, 52
Strong, A.L. 56, 58
structure of property rights 1–2
Sun Yet Sen 1, 63–4
supply and demand 33, 158
surplus land value
capture schemes see value capture
schemes
and compensation 25–6
and exactions 49–50
failure to capture 3
Guangzhou case studies 127
government recovery of 4
and land banking 47–9
and land nationalization 53–5
and land readjustment 52–3
and land rent theory 10, 11, 12–13, 16
and land taxation 45–7
and planning gains 50–51
and public land leasehold system 51–2
surrounding facilities (hedonic regression model variable) 146, 147
‘sustainability’ of public infrastructure 127
‘taking’ 58–9
Tang, W. 65
taxation
and evolution of Chinese land tenure 63–4
and externalities 23–4
on holding 87–8
and impact fees 49–50
and land financing 76
land taxation 45–7
and land value capture 20
on LUR acquisition 87
property taxes 45–6, 49, 86, 90–91
real estate 86–91, 118, 126–8
and surplus land value 25–6
on transactions 88–9
urban infrastructure 93–4
TDRs (transferable development rights) 56, 60
terminalogy 4–7
tertiary land market 6
The ‘Why’ and the ‘How’ of Land Nationalization (book) 53
The Isolated State (book) 12, 14
‘The nature of the firm’ (article) 24
‘The problem of social cost’ (article) 24
Thünen, J.H.V. 12, 14
Tian, L. 172
TOD (transit-oriented development) strategy 135
Town and Country Planning Act (1947) 58
transaction costs
and asset rights 27
and betterment 25–6
and compensation 25–6
and externalities 24–5
and Guangzhou case studies 138–42
and informal property rights 165
and ‘internalization’ of externalities 2
and law 28
and resource allocation 25, 27
and role of state 34–5
and uncertainties of property rights 115
transparency 21, 51, 73, 101, 164–5, 187, 188, 189–90
transport infrastructure investment 149–50
‘trial and error’ reform approach 32, 165
Turgot, A.R.J. 10–11

uncertainties of property rights 2, 112–15
uncommon crops 16
United Nations Development Programme 109
UPB (Urban Planning Bureau) 69, 70–71, 154–5, 161
urban infrastructure investment (Guangzhou case studies) 130–31
urban infrastructure taxation 93–4
Urban and Rural Act (2008) 107
Urban Real Estate Administration Law of the PRC (1995) 67–8, 81
Urban Real Estate Tax Ordinances (1951) 86
urban sprawl 49, 76, 78–9, 81
Uthwatt Report (1942) 5, 54, 59
value capture and compensation 99
direct 20–21
Guangzhou case studies 127, 138, 150
indirect 20–21
international policies on 41
land banking 91–3
LURs assignment fee 83–6, 90
nature of 18–21
planning obligations 93–6
real estate taxation 86–91
tools/instruments for 20–21, 52
Wakeford, R. 50
Wallace, A.R. 53–4
Wang, H. 178
weak law enforcement 117–18
Webb, E.J. 126

Wegener, M. 42
Weignast, B.R. 37, 177
‘Will China go “capitalist”’ (article) 32
‘windfall gains’ 101
World Bank 45, 66, 101, 107, 110, 136
World Development Report 2006 on Equity and Development (report) 110
worsenment assessment of 42–4
defining 5
and distribution of income 3
and externalities 23–4
Guangzhou case studies 127, 132–4
and structure of property rights 1, 2
and transaction costs 25–6
Wu, A. 76
Wu, F. 105
Yang, Q. 178
Yang, R. 178
Yangcheng Evening News (newspaper) 98–9
Yangtze River Delta (YRD) 128
Ye, L. 76
Yeh, A.G.O. 127
Yin, R. 122
Zhang, T. 78
Zhang, Z. 174
Zhao, S. 85–6, 180
Zheng, J. 167, 168–9
Zhu, R. 130
Zhu, J. 32, 36, 38, 106, 113, 179
Zou, B. 165
ZSAFED (zoning by special assessment financed eminent domain) 55