

"Political Turnover and Land Supply: Evidence from Chinese Cities"

(in English)

Presenter: Mr. LI Xuan (MPhil Student)

Date: 10 April 2017 (Monday)

Time: 11:30 am – 12:00 noon

Venue: WYL314, Dorothy Y. L. Wong Building

Chief Supervisor: Prof. Xiangdong WEI (Professor)

Co-supervisors: Prof. Simon C. Fan (Professor)

Abstract:

Leasing land contributes significantly to local government financing in China. It accounts for a large share of fiscal revenue. According to the 2016 statistics, the “land-transferring fees” collected by local government arrived RMB 3.74 trillion (approximately \$0.55 trillion) and accounted for 28.6% of local governments’ fiscal revenue. As highest leaders of the administrative region, municipal Secretary and Mayor have discretion over land supply. Although the overall supply is controlled under central government, local government can make decisions on which way to supply the land (e.g., when to supply, for what use). Do municipal Secretary and Mayor tend to supply more land after they take office and to supply less before they leave the post? If so, do they make different decisions on supply based on land use (e.g., for industrial use, for residential use, and for commercial use)? What’s the mechanism behind their behaviors? And, would different leaders behave heterogeneously given their different personal characteristics (e.g., gender, educational level, major, and working experience)? In order to answer these questions, I extracted online data on land leases across 338 cities in China from 2004 to 2016 by web scrapping and combined it with a hand-collected dataset on local government officials’ information. This paper will empirically examine the relation between political turnover and land supply in China.