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## **China May Let Peasants Sell Rights to Farmland**

By **EDWARD WONG**

BEIJING — Chinese leaders are expected to allow peasants to buy or sell land-use rights for the first time, a step that could draw hundreds of millions of farmers more firmly into the market economy, now centered around the cities.

The new policy, which is being discussed this weekend by Communist Party leaders and could be announced within days, would be the biggest economic reform in many years and would mark another significant departure from the system of collective ownership and state control that China built after the 1949 revolution.

Party leaders began reviewing a draft of proposed rural land reform laws on Thursday at their annual planning session, now under way. Policy changes are expected to be announced after the session ends on Sunday, scholars and government advisers say.

The most important change would allow China's peasantry, which by official count includes about 800 million people, to sell land-use contracts to other farmers or to agricultural companies. Some economists say this shift would lead to more efficient land use and allow much larger farms to be established.

The Chinese leadership has long insisted that the country must remain self-sufficient in the production of staple foods, and is highly unlikely to allow farmers to sell land-use rights for nonagricultural development. But if a market for trading farmland developed as expected, peasants could gain a new source of cash income that could help revitalize the stagnant rural economy.

"If all the speculations are true, if senior leadership is going to lift all the restrictions out the door, I'd say this is a great positive," said Keliang Zhu, a lawyer with the China research division of the Rural Development Institute, a Seattle-based organization that has pushed for land rights for the rural poor. "It'll free up the dead capital and allow all this wealth to materialize."

Mr. Zhu added that the change would give China "huge momentum in terms of agricultural development."