

Promoting the Rural Comprehensive Reforms

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Background and main content of policy

Since the Third Plenary Session of the 17th CPC Central Committee, China has made substantial progress in the construction of the new socialist countryside and the balance development of rural and urban areas, and scored outstanding achievements in rural comprehensive reforms centering on the innovation of rural systems and mechanisms. However, there are more to be done in safeguarding rural development and stability, and many challenges in rural comprehensive reform laid ahead.

First, there were system and mechanism obstacles in the development of agriculture, rural areas and farmers, and that the development of the countryside called for fresh vigor. Due to the long-standing dual structure of rural and urban development, rural and urban markets were still separated. In the countryside, the development of market, with land as the main factors was not perfect, financial service system has hit the bottle neck waiting for viable ways out, the construction of socialized service system moved slowly and the reform of household registration system still lagged behind. There was huge potential to be tapped in the development of agriculture and countryside.

Second, rural government mechanism was not perfect. Administrative management and operation mechanism of the grass-root level could not meet the requirements of rural development. Deep-seated contradictions in the rural administrative body were gradually unveiled. Function transformation of grass-roots governments lagged behind, with such problems as excessive use of power, absence of power, and misuse of power standing out. The government roles of management and public service were not given full play to. Governments at the village level were weak in terms of such functions as organization, self-secure, and providing services. Debt issues stood out, affecting the development of rural economy and society.

Third, infrastructure development in rural areas still lagged behind, the imbalanced development of public services in rural and urban areas made little improvement. Such infrastructure facilities as roads, irrigation systems were in poor condition. In rural areas, the dirty, messy and shoddy environment made little improvement; the construction of social welfare system was not perfect; education resources were not enough; infrastructure on health care is in bad condition. There was a huge gap between rural and urban areas in allocation of education and medical resources and in public services as well.

The 18th National Congress of the CPC made clear the goal of building a well-off society and deepening reform in an all-round way. It drew significant plans for solving the problems concerning agriculture, rural areas and farmers, proposing the promotion of a synchronized development of industrialization, informatization, urbanization and agricultural modernization, putting forward that the integrated development of urban and rural areas is a

basic method of solving issues concerning agriculture, rural areas and farmers. It also raised new requirements for deepening the comprehensive rural reforms.

In accordance with the spirit of the 18th National Congress of the CPC and the CPC Central Committee's Document No.1, authorities implemented the important guiding principles of the State Council, studied the thoughts on deepening rural comprehensive reforms for the future period of time, continued to consolidate and deepen the reform of such policies and areas as rural institutions, compulsory education in rural areas, financial management at the township level and the collective forestry rights, actively boosted such pilot programs as the cause of public welfare at the village level, financial rewards and subsidies and beautification of the countryside, steadily expanded the pilot programs of rural comprehensive reforms, appropriately handled debt problems and studied and launched the pilot program on rural comprehensive reforms, in a bid to make fresh contribution to promote integration of rural and urban development.

Policy implementation and evaluation

1. Reform of township-level institutions continued to be deepened and consolidated. Based on the results of the reform of township level institutions, agricultural authorities strengthened the guiding role, kept up with new situations and problems emerged from the process of reform, and boosted such viable services as one-step service and proxy services. They also cooperated with other government departments in hosting a forum on improving government function at the township level. The authorities pushed forward with the pilot program of reforming administrative systems in advanced towns, expanding the program to the provinces of Hunan and Chongqing, and expanding the program of constructing public service operation and maintenance systems to certain towns of the provinces of Jiangsu, Anhui, Shandong, Sichuan, in a bid to strengthen government's role of serving and social administration.
2. Reforms on compulsory education in rural areas were deepened. Financial security system for compulsory education was adjusted and improved. The policy of exempting rural students from tuition fees and textbook cost was implemented. Financial assistance was increased by 60 yuan per student to support schools in the rural areas in rebuilding and repairing facilities. According to statistics, a total of 82.84 billion yuan was allocated in reforming financial security systems. A total of 120 million students nationwide were exempted from tuition fees and textbooks costs, and 13.3 million boarding school students were given subsidies. The nutrition improvement programs were carried forward, covering 100,000 schools of 699 towns of 22 provinces, benefiting 22 million students. The program covered another 40,000 schools of 529 towns of 19 provinces. Benefiting 10 million students, and the central budget allocated 21 billion yuan for the project. A total of 20.7 billion yuan was invested in continuing to the program of reforming schools with little education resources in the rural areas.
3. The Reform of management of county and township finances was deepened. Finances below provincial level were improved. Pilot programs, under which county finance were put under the direct control of provincial authorities, and village finances were put under county authorities were advanced steadily. The protection mechanism for basic financial resources at county level was further adjusted and improved. The State Council General offices issued and published a series of documents on the protection mechanism for basic

financial resources at the county level. Management and the guiding role of county finances were further strengthened. The function of county finance to serve the development of agriculture, rural areas and farmers was given full play. Financial resources protection mechanism for Party organization at village level was gradually improved.

4. The reform of ownership of collective forests was carried forward smoothly. Follow-up works on determining property rights of collective forests were carefully done. As of the end of 2013, 13 provinces nationwide issued documents on deepening forestry reform under the name of the CPC or the government. Under-forestry economy was forcefully pushed forward, with 18 provinces issuing guiding opinions and 12 province allocating special funds at the provincial level. The establishment of cooperative organizations was pushed forward, with 16 provinces devising supportive policies. Forestry rights transfer was standardized and plans for forestry rights administration and services were devised, with 1,681 services centers above county level being set up in 26 provinces, and the central and provincial finances in 25 provinces allocating 12 billion yuan for subsidies were set up. Total forestry rights mortgage reached 100 billion yuan. Insures covered 110 million hectares of forestry in 25 provinces.
5. Financial rewards and subsidies for village-level public welfare undertakings and the project of “Beautiful countryside” were carried forward. The practice has been making progress since it started six years ago, getting more funds, attracting more participants and forming a new system of farmers providing money and labor, government providing rewards and subsidies and the society donating. According to statistics, in 2013, 69.175 billion yuan was allocated, another 117.5 billion yuan was pooled, 344,100 projects were launched in 246,700 villages of 2,896 counties. Meanwhile, in accordance with the CPC Central Committee’s Document No.1, pilot zones of the “Beautiful Countryside” project were set up in Zhejiang, Anhui, Fujian, Guangxi, Hainan, Chongqing Guizhou provinces and a few towns in some other provinces. According to statistics, the project covers 3,763 villages in various provinces, receiving 7.456 billion yuan from finances at all levels and pooling another 2.675 billion yuan, benefiting a total of 8.66 million farmers. Beautiful villages providing favorable conditions for living, business and touring were developed.
6. Demonstration and pilot programs on rural comprehensive reform were deepened. In 2013, taken into consideration of the overall situation, the practice was extended to seven other provinces including Inner Mongolia and Liaoning, covering a total of 17 provinces countryside. Central finances allocated 1.8 billion yuan for rewards. Eleven provinces including Hebei Jiangsu, Shandong were selected for the pilot program of operation and maintenance of public services, solving great obstacles in rural public services, setting up long-standing and efficient mechanism in the operation and maintenance of public services, providing incentives for authorities at the county-level in serving the farmers, and enhancing the relationship between farmers and the authorities.
7. Pilot programs for the construction of social services for this new type of agriculture were launched in eight provinces including Shanxi and Inner Mongolia, exploring ways to combine agriculture, science and education, as well as new ways to provide scientific support for farmers. Authorities in Gansu Province, in particular, set up platforms at the local level to promote agriculture technology in villages, solving a bottleneck problem. Authorities of Zhejiang, Anhui and Guangdong provinces launched pilot programs for the reform of rural property rights registration. Authorities of Zhejiang, Ningxia, explored

ways to develop rural collective economy, increasing self-security ability of under-developed villages and provide finances for village authorities to serve the public. Pilot programs on reform of social functions of state-owned farms were expanded step by step. The programs were extended to another nine provinces including Hebei and Shanxi, covering a total of 17 provinces. Central finances allocated 1.5 billion yuan for rewards. At present, reform in pilot zones of eight provinces was carried out smoothly, social functions of state-owned farms were transferred to local governments gradually, and the burden of state-owned farms was lightened. Authorities of Ningxia autonomous region transferred the function of education, health care, family planning and public security of public farm to local governments, settling 70 million yuan of debt incurred in the development of public welfare undertaking, relocating 5000 personnel and including the costs into local financial budget. Eight provinces, excluding Heilongjiang Province, newly included in the program, actively implemented the plan.

8. The settlement of debts of villages and townships incurred in the development of public welfare undertaking was carried forward in an appropriate manner. In accordance with the requirements of the State Council to restructure financial spending, the rural comprehensive reform office down-streamed the work to local government and distributed an urgent notification on the settlement of debts of villages and townships incurred in the development of public welfare undertaking. The office had been keeping a close eye on governments at the grass root-level to secure social harmony and stability in rural areas.
9. A pilot program on standardization of rural comprehensive reform was launched. The Finance Ministry and the Standardization Administration of the People's Republic of China (SAC) distributed notification on works on pilot programs on standardization of rural comprehensive reform, stipulating objectives, principles, content and requirements of the work and standardizing works on the construction of "Beautiful Countryside", the system of agriculture social services and the operation and maintenance of public services at the village level. Several regions were selected as pilot zones for the standardization of rural comprehensive reform. Relative works were advanced on a step by step mode.

Date submitted: April 15, 2016

Reviewed, edited and uploaded: April 19, 2016