

Policy Issues and Recommendations for Rural Reform and Development in China's Impoverished Areas

Jinyi Zhou¹, Kan Zhu²

¹Laurel Springs School, 302EL Paseo Rd, Ojai, CA, 93023, United States

²Hangzhou Jianrong Technology Co., Ltd., Hangzhou, Zhejiang Province, 310000, China

Abstract: *The most serious imbalance in China's development is between urban and rural areas, and rural development is obviously insufficient. Addressing this imbalance largely depends on deepening rural reforms. Strengthening the policy issues faced by rural reform and development in impoverished areas is an important reform method that has proved effective in practice. This article first expounds the main policies and measures of rural reform in China's impoverished areas, analyzes the policy issues faced by rural reform and development in impoverished areas, and puts forward some policy reform suggestions in order to provide reference for related research.*

Keywords: *impoverished areas; rural reform; policy issues*

1. Introduction

Agriculture is the backbone of the nation. With the deepening of rural reform, the model of rural social interests is undergoing profound changes. People's ideas are becoming increasingly active, and rural institutional barriers are becoming more and more obvious. Some existing rural policies can no longer adapt to the new situation of rural reform and development, which significantly impact the positive development of rural reform, the construction of a new socialist countryside, and the process of building a well-off society. Therefore, it is imperative to reassess and modify these policies in order to effectively adapt to the evolving circumstances^[1].

2. An Overview of the Economic Theory of Poverty Alleviation

2.1 New Rural Ownership Theory

The key to new rural ownership is clarifying property right and confirming rural land right. If farmers in poor areas want to get rid of poverty, they should not only rely on distribution according to work, but also combine distribution according to work with distribution according to capital. Thus, it is essential to clarify the "three rights and three certificates" (the management right/certificate of farmers' contracted land, the use right/certificate of farmers' homestead and their affiliated self-built housing), enabling farmers to become real market subjects based on the collective ownership of rural land. This allows farmers to acquire income from labor and benefit from cooperative dividends.

2.2 Theory of Economic Operational Mechanism Transformation

To achieve this goal, we need to deepen economic system reform from the following three aspects.

First of all, we should promote the effective integration and long-term integration of local and nonlocal resources to optimize resource allocation and promote the coordinated development inside and outside the region, thereby improving the economic benefits of low-income areas.

Secondly, we should gradually solve the problems of low resource prices, high production costs, and high transaction costs in low-income areas. Reform and innovation are needed to enhance the competitiveness of resource prices and reduce production and transaction costs, thus boosting the economic vitality of low-income areas.

Thirdly, we should control and reduce unreasonable consumption expenditure and non-productive investment. This means strengthening the guidance and regulation of social consumption behavior, preventing wasteful consumption, and guiding funds to projects conducive to economic development to

ensure the effective use of funds. The theoretical achievements have been widely applied and developed in China. For example, under this theory's guidance, a series of poverty alleviation measures, such as industrial poverty alleviation, consumption poverty alleviation, and changing customs, which have played an important role in helping low-income areas get rid of poverty and achieve sustainable development, and made positive contributions to China's economic and social development.

2.3 Theory of Coordinated Development of Economy and Environment in Impoverished Areas

Economic development and ecological environment problems in impoverished areas require stimulating the enthusiasm of enterprises, residents, and workers, so that their funds can be invested in the region's economic development to form a stable internal accumulation mechanism and improve the efficiency of resource utilization. To ensure sustainable development, it is crucial to conserve mountain forests, cherish mountain resources, and rationally exploit and maintain these resources. Only by conserving forests can mountains become a source of wealth, and only by protecting water sources can water become a cornucopia. This approach fundamentally breaks the vicious cycle of "low income - ecological destruction - low income" in low-income areas, and achieves a virtuous cycle of "increasing income - protecting the ecological environment - increasing income."

3. Major Policies and Measures for Rural Reform in Impoverished Areas in China

3.1 Industrial Poverty Alleviation Policy

Industrial poverty alleviation is a mode of poverty alleviation through capacity building based on regional industrial development. By establishing an interest connection mechanism, poor households are included in the industrial chain dominated by the operating subject, so as to enhance their ability to develop industries and achieve sustainable and stable income growth. With the development of agricultural industrialization, the ways and contents of industrial poverty alleviation have been further enriched and deepened, and plays an increasingly significant role in the overall poverty alleviation system. After implementing the targeted poverty alleviation strategy, industrial poverty alleviation is an essential part of the "five batches," and pays more attention to the poor. The following are specific policy measures.

Firstly, we should promote the development of characteristic industries to ensure that every poverty-stricken county can cultivate its own characteristic industries, so that local poor households can own and sell their own special products

Secondly, we should promote the integration of industries by integrating farmers from impoverished areas into the entire agricultural industry chain to achieve effective integration of the primary, secondary, and tertiary industries and increase the economic income of the poor^[2].

Finally, we should support the development of new business entities. With financial and tax policy support, we can establish a stable cooperative relationship between new business entities and poor households, provide industrial chain-type services, increase the added value of products for poor households, and create more job opportunities for the impoverished.

3.2 Transfer Employment policy

Policy Poverty alleviation through transfer employment refers to increasing the income of the impoverished through labor remuneration by providing them with work opportunities. In the National Eight-Seven poverty Alleviation Plan, the relevant measures of poverty alleviation are clearly put forward. By organizing and mobilizing the labor force in impoverished areas, the income structure of individual poor households has been transformed, and it has played a positive role in promoting income growth. Currently, there are three countermeasures for rural labor employment in China.

Firstly, we will improve the skills training system for the rural workforce. By integrating training resources from various departments and industries, targeted order-oriented training and directional training are implemented. We focus on providing free vocational training for children from impoverished families, middle and high school graduates, and the floating population to make it more targeted and effective^[3].

Secondly, we can build a platform for labor transfer and employment. The "east-west cooperation" between regions such as Guangdong and Guangxi is an effective way to establish "labor export

cooperation” between regions.

Thirdly, we can promote local and nearby employment. In the context of the new normal of economic development, the issue of local and nearby employment for the impoverished labor force has garnered increasing attention. In terms of supporting business entities, we will use fiscal, tax, and financial policies to guide local enterprises, cooperatives, and other business entities to provide employment opportunities for the impoverished, closely integrate labor transfer and employment with industrialization and urbanization, and encourage the impoverished to find jobs independently.

3.3 Education Policy

Currently, China's education policies can be broadly categorized into four key areas.

First, we will increase investment in public kindergartens, rural compulsory education, and ordinary high schools in impoverished areas. We promote infrastructure construction and improve living conditions in impoverished areas through financial subsidies. Multiple departments have jointly promoted “comprehensive reform,” and transformed rural primary schools and teaching sites in impoverished areas, as well as constructed, renovated, and expanded several ordinary high schools to promote the popularization of high schools in impoverished areas^[4].

The second is to accurately support the colleges and universities. On the one hand, we should strengthening the support for college enrollment in impoverished areas and improve the opportunities for students in these areas to receive higher education through targeted enrollment, separate enrollment of rural students, and enrollment in local key colleges and universities. On the other hand, universities in poor areas can be funded to improve the university environment in impoverished areas, so as to attract more outstanding talents and make them better integrated into the team.

Third, we will implementing the nutrition improvement plan for students in impoverished areas to improve their nutritional status. We can exempt registered impoverished children from tuition and miscellaneous fees for regular high schools, and provide living expenses for them.

Finally, there is a concerted effort to strengthen vocational training for the rural labor force. Qualified students from secondary vocational schools in poor areas will be exempted from tuition fees and state grants.

3.4 Social Security Policy

Social security poverty alleviation mainly provides targeted assistance to farmers who have long-term difficulties due to illness, old age, infirmity, loss of work ability, and poor living conditions. Currently, various measures have been implemented to address these issues.

Firstly, the rural subsistence allowances have been combined with targeted poverty alleviation standards to ensure that the poor without independent development capacity meet their social needs. Additionally, adjustments to the provincial finance level have been made to meet or exceed national poverty alleviation standards, which are dynamically adjusted annually based on factors such as the price index.

Furthermore, efforts have been made to improve basic old-age security in impoverished areas by creating an old-age service model for the aging rural population and coordinating the urban and rural old-age social security system, and realizing the construction of a basic old-age insurance system for urban and rural residents.

Finally, care policies for “left-behind children” and “disabled people” have been implemented to strengthen attention to the psychological, behavioral, and mental health aspects of left-behind children, as well as to ensure that they can get timely psychological counseling and behavior correction. Through the cooperation of multi-department, it has prevented and addressed issues such as female sexual harassment, domestic violence, and illegal trafficking of women. Overall, a comprehensive approach has been taken to provide relief and support for those in need.

4. Policy Problems Facing Rural Reform and Development in Impoverished Areas

4.1 Challenges in Developing Rural Social Public Welfare Service

There is a widespread phenomenon of “two skins” between construction and management in the construction and management of rural public facilities, which leads to unclear management responsibilities and a lack of long-term and effective management mechanisms. Despite increased state investment in rural public welfare service, financial guarantees for following management and protection still face challenges. For example, in some areas, due to a lack of funds, later maintenance is difficult to continue. Although some places have initially established management and protection mechanisms, issues such as imperfect mechanisms and insufficient staffing persist. Taking Shandong Province as an example, although follow-up management and protection problems are addressed through the construction of three systems—maintenance service, cleaning and transportation service, and utilization—further improvement is still necessary. Farmers as the main part of rural society, their participation directly impacts the follow-up management and protection of public welfare undertakings. However, currently, farmers don't participate in public welfare undertakings actively, thus making it difficult for management and protection to take root. Although the government has issued policies to encourage social organizations to participate in rural public welfare undertakings, actually, their participation remains negative, and they have not fully played their role in public welfare undertakings.

4.2 The Problems of Rural Education

China has a rural population of 900 million, so rural compulsory education is crucial to the nation's future. However, the current state of rural education is concerning. Since the reform of the rural economic system, many capable and knowledgeable farmers have gone out as migrant workers, resulting in the rural left-behind population is mainly the elderly and children. This situation hinders agricultural development and stifles the rural economy, thus creating a vicious cycle. There is still plenty of room for improvement in the implementation of the Compulsory Education Law. Although the law clearly stipulates that the school-age children and adolescents should receive the rights and obligations of compulsory education, as well as the legal responsibilities of the state, society, and families in compulsory education. However, it is often regarded as a “soft law” in real life. Violations of the Compulsory Education Law rarely result in accountability or sanctions. Additionally, reforms in fiscal policy and the education system have led to a shortage of funds for rural compulsory education. Funding for rural compulsory education in China has been mainly undertaken by local governments, rural areas, and farmers. However, about 60% of county-level finance cannot guarantee sufficient funds for compulsory education after the reform of the compulsory education investment system, thus imposing a heavy burden on farmers and making it difficult to ensure the quality of education. In the case of serious shortage of education funds, the huge gap between urban and rural teachers' salary makes high-quality resources flow to cities, resulting in continuous development of cities, while making rural development more challenging, thus forming another vicious circle.

4.3 Insufficient Agricultural Subsidies to Increase Farmers' Income

Unstable Subsidies: In terms of subsidy types, there are great differences in subsidies among different regions except for farmland land protection subsidies. Taking rice planting as an example, subsidies in different regions include large growers, family farm subsidies, planting cost subsidies and socialized service subsidies and so on. In some areas, some farmers can receive subsidies, but not all areas' farmers have agricultural subsidies. Additionally, the agricultural subsidy policy lacks stability, with subsidy standards changing annually, which causing farmers to doubt the authenticity and sustainability of agricultural subsidies.

Implementation Issues: While direct distribution of subsidies for farmland fertility protection to farmers' accounts is feasible, many other agricultural subsidies necessitate procedural steps such as application, verification, and registration. Inexperienced farmers may encounter difficulties in accessing these subsidies, and some may require targeted allocation. Furthermore, subsidy management has not been thoroughly verified. For instance, a village in Kexi Village, Runya Township, Yongshun County, received a subsidy for planting oil tea that was intended for another household. Following an investigation, the issue was resolved and the correct recipient received the subsidy.

Misuse of Subsidies: The misuse of agricultural subsidies is a pervasive issue, manifesting in various forms such as abandonment of farming activities post-subsidy reception and inaccurate

reporting of cultivated areas. In the process of implementing and disbursing agricultural subsidies, some schemes are simplified based solely on the contracted land area without consideration for actual cultivation. This approach proves ineffective in promoting grain production and enhancing farmers' income^[5].

4.4 Challenges in Implementing Policies on Agriculture, Rural Areas, and Farmers

In practice, the implementation of policies pertaining to agriculture, rural areas, and farmers is riddled with numerous challenges. Firstly, while clear guidance and deployment are provided by the country, the intensity and effectiveness of implementation vary across different regions. Resource, funding, and talent constraints hinder some areas from effectively carrying out reform plans. For instance, the development and transformation of villages with weak rural collective economies necessitate expeditious reform of the rural collective property rights system. However, due to conflicting interests and an imperfect system, progress in reform is slow. Secondly, there exists a degree of formalism and bureaucratic attention in policy implementation. Some regions prioritize compliance with directives from higher authorities and official documents over the specific needs of grassroots levels and farmers. In this context, many policies struggle to take root in reality, thereby affecting the efficacy of reforms.

5. Suggestions for Policy Reform

5.1 Accelerating the Development of Service Platforms for Rural Land Transfer

Standardizing the Process: Establishing cultivated land and woodland circulation management service organizations at the county level. Land transfer should be conducted in a reasonable and orderly manner, following legal principles of voluntariness and compensation. Regardless of the method adopted, contract and registration procedures should comply with the relevant provisions of the Rural Land Contract Law and be submitted to the relevant departments for record.

Improving the System: There is a need to develop specialized agriculture, accelerate land circulation, and achieve reasonable agricultural structure adjustments through the industrialization model of “company + base + peasant household.” Utilizing various methods, perspectives, and forms, and leveraging large-scale infrastructure to promote extensive land circulation is essential. Efforts should be directed towards exploring how to intensively utilize land with low utilization rates and promote the robust development of ecological and efficient agriculture. Providing policy and financial support for large-scale breeding, planting, and breeding operations is similarly crucial.

Focusing on Secondary and Tertiary Industries: Accelerating poverty alleviation projects and urbanization processes, and actively guiding surplus rural labor are paramount. Ensuring that farmers who have migrated from mountainous areas can secure stable employment in secondary and tertiary industries in urban areas is crucial. Exploring policies for the voluntary and long-term transfer of land contract and management rights as a form of social security will authentically benefit farmers and alleviate their concerns about “leaving the land.”

5.2 Deepening Education Reform in Impoverished Rural

Deepening the reform of rural education and developing the rural economy are mutually reinforcing processes. To deepen rural education reform, two main approaches can be taken:

Aligning Teaching Reform with Rural Realities: Curriculum settings should be adjusted according to local conditions, focusing on cultivating students' practical abilities and innovative spirit. Additionally, strengthening the construction of the teaching workforce, improving the educational and teaching levels of teachers, and ensuring that rural students receive high-quality education are essential.

Leveraging Modern Distance Education: Promoting the sharing of high-quality educational resources between rural and urban areas through modern information technology can break regional restrictions, allowing rural students access to more knowledge and information. Strengthening the enforcement of compulsory education is also crucial to ensure that every child receives nine years of compulsory education. This includes enhancing the publicity of the Compulsory Education Law to establish correct and legal concepts among the rural population, strictly implementing the law, and punishing violations accordingly. Furthermore, increasing national education funding is vital, as

financial constraints are a significant bottleneck in the development of rural compulsory education. Governments at all levels should ensure annual increases in education investment and that funds are used for their intended purposes. Improving the quality of teachers is also key to rural education reform. Building a team of teachers with good political and professional qualities, a reasonable structure, and relative stability is necessary. Fully implementing the teacher appointment system to achieve the survival of the fittest is also important.

5.3 Strengthening the System of Socialized Services for Agriculture

Diversified Subjects, Professional Services, and Market-Oriented Operation: Encouraging various forms of agricultural technical service providers to participate in the service system can improve the professionalism and market competitiveness of the services. It is also essential to establish a robust mechanism to financially support the effective provision of agricultural technical services.

Deepening the Reform of the Public Technology Promotion Service System: This includes advancing the reform of township agricultural technology, agricultural machinery, animal husbandry, water conservancy and aquatic products institutions at the township level. The aim is to separate the functions of business, administrative, and law enforcement functions and establish a science and technology promotion and market mechanism.

Developing a Market-Oriented and Socialized Technology Extension Service System: It is essential to integrate existing agriculture-related agricultural technology extension institutions and establish a comprehensive agricultural technology consultation, evaluation, and extension service platform based on counties, cities, or major agricultural product-producing areas. Increasing support for agricultural universities and scientific research institutes and investing in agricultural science and technology research and development are also necessary.

6. Conclusion

In conclusion, the policy issues of rural reform and development in impoverished areas are complex and require consideration and solutions from multiple perspectives. Only by addressing these issues comprehensively can sustainable development in impoverished areas be truly realized, thus enabling all farmers to live better lives.

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