

# Reconstruction of Village Administration Mode in Building New Socialist Countryside

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**Abstract** Firstly, definition of village administration is introduced. Then, through analysis of history, complexity and innovation characteristics of village administration, it points out that village administration plays a significant role in the reform of grass-roots government. Based on these, existing problems in village administration mode are discussed. It is believed that the administration subject (government), object (farmers), and administration measures have potential to explore. Finally, suggestions are put forward from perfecting village autonomy, role orientation of grass-roots government, and simplifying grass-roots government organs.

**Key words** New socialist countryside construction, Village administration, Mode reconstruction, China

In October 2005, the Fifth Plenary Session of the Sixteenth Central Committee of the Party issued *Opinions on the Outline of the Eleventh Five-Year Plan*, and called for us to push forward the new socialist countryside construction in accordance with requirements of "developed production, well-off living, civilized village culture, clean village environment, and democratic management". Among these aspects, democratic management is political assurance of new countryside construction. Besides, democratic management reflects respect and safeguard of people's political rights, so it is one of the most important problems in village administration of rural construction. Only through further expanding rural grass-roots democracy and perfecting the villager autonomy system, may farmers' enthusiasm be summoned up and new socialist countryside built. Such problems as "empty-nest families" (old people living without their children), "the aged agriculture", and "left-behind children" are, in fact, problems of government subject in village administration of new socialist countryside construction. As a complex local systematic project, village administration is closely related with many systematic problems, such as integrated development of urban and rural areas and reform of urban and rural household registration system. Therefore, the improvement of rural administration plays a significant role in China's new socialist countryside construction. In particular, the reconstruction of rural administration mode is an important part of administrative system reform of grass-roots government, thus, how to scientifically promote village administration is an urgent priority.

## 1 Definition and characteristic analysis of village administration

According to different subjects of village administration, scholars define it in varied ways. Wu Yi argues that the connotation of village administration contains allocation, operation,

interaction and change of state power and public authority of rural communities in rural areas<sup>[1]</sup>. Wang Jingjing *et al.* believe that the village administration is a dynamic process in which public authority formed by the state and society realizes regulation and administration of rural society<sup>[2]</sup>. Zhao Shukai contends that many interdependent subjects in village administration system solve conflicts through participation, negotiation and coordination, to realize a favorable and harmonious order<sup>[3]</sup>. The above definitions are based on different administration subjects. In my opinion, village administration is an important part of new socialist countryside construction. It refers to a series of matters, including increasing farmers' income, beautifying rural environment, and establishing harmonious relation between government and common people. Improvement of village administration has always been reflecting that Chinese government attaches great importance to issues concerning agriculture, rural areas and farmers. Compared with other rural problems, the village administration has following characteristics.

**1.1 Village administration is historic** Village administration has a long history. From the Bao-Jia system (neighborhood administrative system), clan authority, squire power, and aboriginal autonomy in feudal society to People's Commune and villager autonomy in modern society, it indicates that different social system has different village administration modes. The feudal Bao-jia system is a reflection of will of feudal landlord class and is a tool for controlling, oppressing and exploiting farmers. On the contrary, the villager autonomy mode in socialist society is a reflection of political democracy and farmers' rights and embodiment of serving the people heart and soul. Village administration, as an essential part of rural administration, involves fundamental rights and interests of social classes, so it is always highly valued by rulers. The enhancement of rural administration through different village administration modes renders rural administration heavy historic color.

**1.2 Village administration is complex** Village administration is a complex problem. It not only is management of grass-roots government and villagers' committee over villages and

farmers, but also includes political, economic, cultural, social and environmental issues of rural development. Especially in strategy of pushing ahead with new socialist countryside construction in new period, the complexity of rural issues is increasing. For instance, difficulty in increase of farmers' income, social security for rural empty-nest families, problem of left-behind children, increasing deterioration of rural environment, and widening gap between urban and rural development. All these problems deviate from demands of construction of socialism harmonious society, present considerable difficulty to village administration, and make the village administration more complex. Therefore, to improve village administration, we must base on actual problems and take active measures.

**1.3 Village administration is innovative** Economic basis determine superstructure, and different social environment requires different political administration modes. The gap between urban and rural areas is gradually widening, while village administration fails to follow the step of time development. On one hand, it is difficult to administer villages in old modes, and decline of the state power leads to reduction of the state control over village society. In this situation, disorder of villages is sharply increasing. Gradual decline of villages and constant rise of cities produce a sharp contrast. Besides, modernization is a process of state power gradual penetration into rural areas. China's modernization oriented towards urban development, in particular, should draw resources from rural areas, and rapidly integrate rural areas into national system. Therefore, village administration should constantly innovate, keep pace with the times, and improve village administration modes, to adapt to China's modernization.

## 2 Significance of village administration improvement to new countryside construction

As an important part of grass-roots government reform and important direction of improving democratic construction at grass-roots level, the village administration is of great significance to new socialist countryside construction.

**2.1 Requirement of democratic construction in new countryside construction** Old village administration mode is a product of planned economy. Its basic characteristic is highly centralized rural power. Farmers seldom participate in and discuss government and political affairs and it lacks democratic supervision, which is not favorable to arouse farmers' enthusiasm for participating in democratic politics. There are many problems in old village administration pattern, such as emphasize administrative intervention measure, while underemphasize economic and legal means; pay attention to direct control of government, while ignore direct service of government; always issue orders, but not make government affairs public; attach importance to government supervision, while ignore masses and democratic supervision. With so many problems, the original village administration mode is not suitable for demands of enhancing democratic political construction at grass-roots level. Therefore, according to requirement of democratic administration, is required to establish and perfect village administration

system, which is an important part of the new socialist countryside construction and an urgent need for building socialist harmonious society. This requires reforming existing township system in accordance with local situations. Also, it is required to perfect village administration mode, standardize and improve village autonomy system, and develop new economic and social service organizations, to build modern village administration pattern<sup>[4]</sup>.

**2.2 Requirement of raising administrative efficiency of grass-roots government** Since the 1990s, academic circles have introduced five types of typical village administration modes, in the hope of perfecting village social administration and improving administrative efficiency of grass-roots government. However, compared with actual conditions in China, especially in the background of new countryside construction, these modes have big defects and fail to fundamentally solve the problem of low administrative efficiency of Chinese grass-roots government. In the course of new countryside construction, it is required to establish a low-cost and high-efficiency village administration mode. In this mode, village administration is not monopolized by a certain public authority subject, and the administrative rule is not mandatory formulation from top to down, but evolved spontaneously according to existing rural rules. Through game of many interest subjects, the village administration structure reaches Nash equilibrium status<sup>[5]</sup>. Therefore, grass-roots government should base on ideas of system theory and wholism; consider village social management system in combination with overall reform of political structure and power system of the state; consider village administration system in combination with advance direction of the state legislation; perfect village administration mode in combination with direction of urbanization and market economy, to raise administrative efficiency of grass-roots government.

**2.3 Requirement of solving issues concerning agriculture, rural areas and farmers in new countryside construction** Issues concerning agriculture, rural areas and farmers in China become more and more serious. This is mainly manifested in frustration of transformation of traditional agriculture; slow agricultural development; low benefit of farmers in grain production; difficulty in increase of farmers' income; lack of vitality in rural economic development; widening of gap between urban and rural economic development. These problems are closely related with the old village administration pattern, which is shown as a high cost and low efficiency rural administration mode. Many public infrastructure and services in rural areas fail to keep pace with demands of rural economic development, and there are many faults in orientation of government control. In the background of new socialist countryside construction, research of new village administration mode is of realistic significance to solution to issues concerning agriculture, rural areas and farmers. We can better solve these issues through cutting down administrative system, cancelling existing system of city controlling county, relieving burdens of the state on rural administrative expenses, and constantly increasing financial transfer of grass-roots government.

### 3 Analysis of major problems in village administration

At present, China's village administration mode is not perfect enough. Many problems exist and are not favorable to advance of new socialist countryside construction. Problems mainly exist in administration subjects, objects and means.

#### 3.1 Overstaffing coexisting with limited authority of village administration subjects in grass-roots government

Although simplification of government organs has been advocating in China, the effect is not well. Many grass-roots governments still have problems as overstaffing and lax in organization of administrative organs. For example, each department acting on its own; shift responsibility onto others; failure of governmental functions and responsibilities to be performed by specific individuals; cost of administrative execution is too high but economic benefit is low. Organizations at county level are focuses of the entire grass-roots administration structure. Thus, it is required to change the situation of "great responsibility but inadequate authority" of government at county level. Currently, difficulties in China's village administration mainly include small township scale, low ability of economic radiation, and lack of labor division and cooperation of counties and towns, and imperfect social management system.

#### 3.2 Hitchhike problem of village administration object farmers

In the village administration, the problem of hitchhike of farmers often happens, making us very puzzled. According to assumption of economics, every person is an economic man and everyone wants to maximize his personal benefit. Thus, everyone is inclined to get free lunch and ask hitchhike for public goods provided by others. In economics, public goods are goods that are non-rival and non-excludable. Non-rivalry means that consumption of the goods by one individual does not reduce availability of the goods for consumption by others; and non-excludability means that no one can be effectively excluded from using the goods. In rural communities, there are many non-excludable articles, such as rural water conservancy and roads, social security, environmental hygiene, etc. Hitchhike problems in village administration not only result in disorder of rural public goods and service supply, but also reduce farmers' economic benefits, and restrain development of rural public projects.

#### 3.3 Vacancy and excess in village administration

The quantity of grass-roots government organs is huge in China. Most farmers do not have awareness of supervising government. This leads to high cost of grass-roots government. Consequently, vacancy and excess problems frequently occur in the course of administrative execution. Vacancy problem is mainly manifested as the failure of government to administrate corresponding rural affairs. Rural public affairs often have long construction period and low economic benefit, so grass-roots government is unwilling to touch this area. As a result, it is manifested as vacancy of administrative execution of grass-roots government. The excess problem of grass-roots government is mainly manifested as government intervening against affairs that are not within the scope of its management.

### 4 Policies and suggestions for perfecting village administration mode of China

On the basis of the above analysis, the village administration mode should be improved in following manners.

#### 4.1 Improve villager autonomy

At present, there are many problems in autonomy at village level. The village government lacks perfect economic organization and management system; villager autonomy lacks effective supervision and punishment mechanism; system of making public village affairs and "one matter, one discussion" system lack foundation and motive force; and some village conventions and rules are inconsistent with legal provisions. After the *Organic Law of the Villagers Committees of the People's Republic of China* is promulgated and formally implemented in 1998, the villager autonomy system with villager election as leading has become a general institutional arrangement in rural areas. The election of village committee has become the most important political activity for farmers. Then, the relationship between village director and branch secretary becomes the most important counterpart relation in village autonomy. At the same time, democratic supervision and management with openness of administrative affairs of village and democratic money management as representative matters have been incorporated into agenda in many villages, and even have become a critical variable that influences village administration. However, only the election is not enough, it is required to reconstruct villager autonomy system through professional cooperative organizations.

#### 4.2 Role orientation of grass-roots government in village administration

Under influence of highly centralized bureaucratic organizations, currently, it is difficult for grass-roots government to effectively perform market-oriented functions and achieve corresponding objectives. There is still a certain gap between the overall organization ability and government functions of transformational society, especially, serious defects exist in government influence power, government organization ability, and government execution capacity. These defects are originated from abnormal restriction of organization mode under traditional planned management. In market economic system, grass-roots government should change its role and mainly orientate in social management and public service fields, and change the management mode from "control type" to "service type". Grass-roots government should provide favorable operating environment for enterprises and farmers and other micro-economic entities through scientific and reasonable public goods service, to promote development of areas under its jurisdiction and push forward development of rural economy.

#### 4.3 Simplify grass-roots government organs and improve radiation of county-wide economy

Past reform of grass-roots government is limited to "withdrawing townships and merging towns", and full consideration is not taken into overstaffing of arrangement of grass-roots government organs and low administrative efficiency. Therefore, in future, it is required to break away the original concept, select some towns to energetically carry out proper construction. Also, it is proposed to raise

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ment method. For example, it is proposed to promote credit score loan. Through collecting and sorting out farmers' credit information to take as basis, and include those farmers with certain scores into VIP customers and provide those with low interest loan. Such method will not only encourage farmers to actively perform the loan contract and repay the loan, but also reduce costs for post-loan management and recovery of principal and interest. Finally, it is proposed to assess or establish credit file for members with reference to credit rating of banks in loan mechanism, and determine whether next loan can be obtained and fix the upper limit of loan according to rating result. This credit institution system established with proper intervention of government not only improves borrowers' credit awareness, but also restrains default actions of farmers, and effectively prevents risks.

**3.2 Strengthen functions of loan officer in practice of small amount credit** It is required to strengthen functions of loan officer in small amount credit and establish credit monitoring system, including accounting system, credit and deposit monitoring system, and customer impact follow-up system<sup>[5]</sup>. Accounting system can obtain key indicators from financial analysis report, to monitor operating conditions of small amount credit institutions, and take financial analysis by necessary indicators, including quality of small amount credit assets, financial situations, income, and capital adequacy, etc. The credit and deposit monitoring system includes amount credit follow-up situation and other related information, including types of credit model, methods for calculation of interests and costs, frequency and combination of loan repayment, arrearage condition, customer structure, and deposit transaction. It is proposed to make regular follow-up information analysis report and flexible analysis statement for managers, investors, small amount credit officers, auditors, and customers, to evaluate demand information, supply conditions and operating conditions of small amount credit institutions. The customer impact follow-up system; it is possible to make analysis report for customer impact follow-up system according to influence of small amount credit institutions on local social economy, and make evaluation and feedback for social benefits of small amount credit.

**3.3 Widely promote rural "group lending" system** With reference to GB model, it is recommended promoting "five households group lending", "forced saving", and technical

service systems<sup>[6]</sup>. Specific operation of small amount credit group lending system; firstly, "five households group lending". Five households voluntarily form a lending group. Within the group, democratic management is adopted; joint liability should be taken; and credit risk is jointly shared. Any bad credit action of any group member will tarnish reputation of the whole group. Secondly, it is required to carry out regular communication among group members and to reduce risks resulted from improper selection of projects. Several groups form a farmer center, where technical training activities are carried out. Besides, it is proposed to overcome reverse selection and reduce the high transaction cost through regular meetings and installment payment. Finally, "forced saving" means that loan farmers will be forced to save a small amount at each time of repayment, including group fund and user deposit. The group fund is generally 5% of principal amounts of loans and will be deducted at the time of issuing the loan. The group fund will play a role of loan guarantee. In case some one in the group fails to repay the loan, the group fund will be used to offset. This "group lending" system effectively prevents default risk of farmers.

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administrative efficiency through simplifying grass-roots government organs, and establish more economic development centers in a county, to promote development of rural areas. The current county-wide economy is generally development of the county and fails to push forward economic development of the whole county. In future, we should concentrate on building small towns, to make rural economy have larger radiation areas from the center. As the lowest level of state power, the grass-roots government has a direct interest relationship with farmers. Therefore, it is required to strengthen organizational system at township level.

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