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# A Study on the Reform of China's Agricultural Administration System

Dongfang CHEN\*

Department of Public Security Administrative Management, Railway Police College, Zhengzhou 450053, China

**Abstract** After various reforms, China's agricultural administration system has been changing functions and improving structure, and it has basically met the requirements of agricultural and rural economic development, but in some areas, it can not be adapted to modern agricultural development. Based on the analysis of the necessity of improving agricultural administration system and the problems in current agricultural administration system, this paper comes up with the viable path choice of China's agricultural administration system reform.

**Key words** China, Agricultural administration, System reform

## 1 Introduction

Based on constitution and laws, agricultural administration system reform aims to achieve public interest objectives, optimize the functions of agricultural organizations and agro-management departments, well deal with the relations among administrative departments, market and social organizations, and clearly define the responsibilities of administrative organizations; improve management methods and management tools, and make full use of administrative, economic, legal and educational means according to the different stages of social development; improve the provision and implementation of various systems, and perfect the evaluation mechanism of implementation effect; establish efficient grass-roots administrative system and sound public financial system for urban and rural areas. Therefore, the current implementation of agricultural administration system reform has very important strategic significance.

## 2 Importance of China's agricultural administration system reform

**2.1 Necessary guarantee for promoting new socialist rural construction** In recent years, China's agricultural administrative system reform has made important progress. It initially establishes the agricultural support system in the new era, abolishes agricultural taxes, streamlines organization and personnel, alleviates the financial pressure, builds streamlined and efficient township administrative system, and strengthens grassroots political power building. With the increasing income gap between urban and rural areas, the rural superstructure is increasingly not suited to the economic base. The system of dividing taxes brings steady income for the county finance, but it can not meet the expenditure of local finance. In order to well deal with the county-level agricultural administration problems, we must well deal with the issues concerning rural infrastructure, information, financing, farmer technology promotion, training and education, which is not only related to the

implementation of the Party's guidelines and policies in rural areas, but also related to the realization of goal of building a moderately prosperous society.

**2.2 Practical needs for promoting national economic development** China is the world's largest agricultural country, and its agriculture is currently in the process of transition to industrialization. Agriculture, as the fundamental industry, provides not only the most basic means of subsistence, but also capital accumulation, foreign exchange reserves and labor for the industrial development. Currently, there are some problems restricting the development of productivity in China's agricultural administration system. To improve the efficiency of agricultural production, promote food self-sufficiency and strengthen agricultural development foundation, we must promote agricultural administration system reform, to address the constraints China's agricultural production.

### 2.3 Objective requirements of deepening system reform

The modern agriculture requires the agricultural management system to strengthen macro-management functions, so it is necessary to reform the existing agricultural management system. China's economic macro-control system is gradually established at present, and the property rights system, enterprise system, tax system, financial system, price system and social security system continue to make great strides. At present, China's administrative system reform is increasingly lagging behind the economic system reform, so it is urgent to reform China's administration system including agricultural administration system.

## 3 The main problems in China's agricultural administration system

### 3.1 Insufficient control means of agricultural departments

Since the founding of New China, China's agricultural administration system has undergone great changes, but overall, the macro-control measures are still insufficient in terms of means and scope. The government's regulation measures include administrative means, economic means and legal means, but the current agricultural departments mostly use administrative means but neglect eco-

conomic means and legal means. In fact, compared with economic means, the mandatory administrative means, as the leftover of planned economy, has no longer adapted to the development of market economy. In terms of the regulation scope, the primary goal of China's long-term economic policy is to develop production and ensure supply, and the agricultural regulation scope is mostly limited in the areas of agricultural production and production capacity building. It lacks appropriate control means for improvement of agricultural product quality and optimization of agricultural structure, and it no longer meets the requirements of market-oriented, international and sustainable agricultural production at present.

**3.2 Unreasonable setting of administrative bodies** Currently, the setting of China's agricultural bodies is not suited to the requirements of agricultural economic development. Firstly, in division of functions, it still keeps the characteristics of planned economy era, and according to the production process, the functions are divided, involving many departments (except the Ministry of Agriculture) assuming part of management functions and specific tasks. This artificially segmented management has low administrative efficiency, inconsistent with the concept of modern agricultural management. Secondly, there are similarities in body setting between central and local governments, and this jointly managed agricultural system ignores local actual needs, which is not conducive to the development of local characteristic agriculture and leading industries. Finally, the grassroots agricultural administrative organizations are too weak, with poor execution power and low operating efficiency.

### **3.3 Low level of legalization in agricultural administration**

In China's agricultural administration, the legal consciousness is relatively weak. Poor law enforcement awareness reduces the authority of laws in rural work, so that agricultural workers lack understanding of necessity of agricultural administrative law enforcement. In the agricultural administrative bodies, the ethic-based traditional administrative culture has led to cronyism, and trampled the dynamic mechanism and correction mechanism in the legalized administration system. The traditional "government-owned standard thought" causes the government's administrative acts to seriously violate the legalization procedures, makes the administrative acts override the law, increases rent-seeking power and results in corruption and abuse of power.

## **4 Path choice of China's agricultural administration system reform**

**4.1 Transforming governmental functions** (i) Strengthening public service functions. It is necessary to enhance the basic agricultural hardware service, further increase investment in agricultural infrastructure, and establish a number of projects concerning roads, power grids, water supply, drainage and environmental protection projects in the remote western regions to help local farmers to solve the issues related to planting, water, electricity and transportation. It is also necessary to improve the basic agri-

cultural software service, and increase technical training for farmers and scientific research for research personnel. (ii) Enhancing market macro-control functions. In recent years, the forcing up of agricultural prices repeatedly happens in China's agricultural market due to monopoly of agricultural products. It also reflects that the market regulation functions are missing in the current agricultural administration system. The constraints of weather, season, manpower and other factors on agricultural production, have to a large extent increased the market regulation blindness. The agricultural departments should actively use their power, increase agricultural market regulation, safeguard the basic rights and interests of consumers and farmers, and ensure the healthy development of agricultural markets. (iii) Enhancing market supervision and management functions. The administrative departments of agriculture should define the boundaries between government and market. It is necessary to design reasonable market rules to maintain market order and establish fair, just and open market; use preferential policies, price leverage and other measures to guide the market demand and agricultural production; take legal means to regulate market operation, and ensure the healthy development of the market.

### **4.2 Gradually transferring agricultural executive power to the local authorities**

With the development of society, the administrative structure gradually changes from a pyramid type to a flat type. For the current agricultural administrative system in China, we must offer more powers to grass-roots organizations. Giving local government and especially the grass-roots government more financial rights and managing projects, can better mobilize the enthusiasm of local governments, effectively ensure the macro-control capacity of the central government, ensure that local government has sufficient financial resources to carry out their duties, make local government better play the advantages of information and cost, and help to firmly maintain the central government decree.

### **4.3 Implementing legalized agricultural administration**

Since the The Fourth Plenary Session of the 18th CPC Central Committee, the rule of law and administration according to law has been elevated to a new level by central and local governments. For the agricultural administration system, it is necessary to clearly define the responsibilities at first. The responsibilities of agricultural administrative departments are under the law, and if it is beyond the legal scope, farmers have right to deny fulfillment. Secondly, it is necessary to regulate the scope of power. The agricultural administrative departments should fulfill the duties and obligations according to the law, and can not exceed the limits prescribed by law, to ensure agricultural production enthusiasm. Thirdly, it is necessary to maintain due administrative process. In the process of performing the administrative authority, the agricultural administrative authorities should be subject to appropriate methods and procedures, compress corruption space, and reduce the possibility of power rent-seeking.

(To page 40)

sion. The director, directors, managers, and financial personnel should not hold a concurrent job of supervision organ. (ii) Strengthening the establishment of supervision mechanism within the cooperatives. Relevant government authorities can establish effective external supervision and examination mechanism with reference to German and Japanese experience. Through establishing supervision mechanism and implementing strict auditing system, it is expected to enhance control and supervision of management system and member benefit, and conduct supervision of routine financial affairs, assets, and organization, and operating legitimacy.

#### 4.3 Improving internal incentive mechanism of cooperatives

(i) Improving incentive mechanism for ordinary members. The earnings of cooperatives should be allocated in accordance with patronage amount dividends and shares, and may also adopt implicit incentive method. It is recommended to summon up enthusiasm of cooperative members through reducing price for members purchasing production means, providing special services for cooperative members, and improving small area market environment. (ii) Improving incentive mechanism of management personnel. It is recommended to grant the residual claim to management personnel and connect return of management personnel with performance of cooperatives.

#### 4.4 Establishing specialized personnel introduction and cultivation mechanism in proper time

Qualified cooperatives should establish specialized personnel introduction mechanism, scientifically position specialized personnel of cooperatives, specify detailed requirements of professional ability, issue definite and specific post description, and recruit specialized personnel suitable for development demands of cooperatives. In addition, it is recommended to completely separate decision making level and execution level, and increase efficiency and standardization of management of cooperatives. For small cooperatives, it is feasible to cultivate members of cooperatives through scientific cultivation plan.

#### 4.5 Strengthening member management of cooperatives

(i) Reinforcing examination of farmers joining in cooperatives. On the basis of voluntary participation, it is required to strengthen

(From page 37)

## 5 Conclusions

At present, China's economy and society are undergoing profound changes and full transition, and the issues concerning agriculture, countryside and farmers are still the outstanding issues to be solved in China's modernization. At the new stage of modern agricultural development, it is necessary to build a modern agricultural administration system that can adapt to industry clusters of agricultural production and modern agricultural system, break through the institutional obstacles to the development of productivity, and comprehensively strengthen the government's

examination of capital contribution and participation degree of farmers, and enhance members' undertaking of responsibilities for management of cooperatives, to raise concern of cooperative members for operation and management of cooperatives. (ii) Strengthening guidance on members' learning. It includes learning of related laws and regulations, article of association, systems, documents, to strengthen cognition of their rights and obligations of cooperatives. (iii) Treating members and non-members of cooperatives differently. Cooperative members have responsibilities for cooperatives, while non-members concern about purchase and selling. If there is little difference between them, cooperative members will shake necessity of joining in cooperatives and reduce their enthusiasm for participation in management of cooperatives.

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macro-control, which is related to comprehensive, coordinated and sustainable development of agriculture and rural economy, and building of a moderately prosperous society.

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