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China's Targeted Poverty Alleviation Policy on Rural Economic Development

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Abstract

Based on the period before and after the implementation of poverty alleviation policies in our country, this study aims to examine the impact of the policy on rural economic development. Using a specific city as a case study, the paper gathers and organizes official statistical data from the city government over the past few decades. It analyzes the evolution of rural residents' income in this city and employs SPSS software to perform regression analysis on macroeconomic development data. Various economic indicators and the input amount of agricultural production factors reveal several significant factors that impact the income of rural residents in a specific city. There is a strong positive correlation between GDP and rural residents' income, characterized by a high degree of stability and synchronous development. Additionally, the total agricultural output value, total retail sales of consumer goods, and the number of rural labor resources are positively correlated with rural residents' income. Moreover, local fiscal budget expenditure related to agriculture has a driving effect on the per capita net income of rural residents, although this effect gradually slows down over time. Based on the policy implementation during the study period, this paper presents some suggestions to enhance the effectiveness of the targeted poverty alleviation policy in promoting rural economic development in the future.

Keywords

China, Income of rural residents, Poverty alleviation policies

1. Introduction

Improving people's living standards is an important national development and construction task. In 2013, the Outline of China's Rural Poverty Alleviation and Development Program (2013-2020) for the first time put forward the poverty alleviation goal of "having no future for two and having security for three", and defined the goal of rural poverty alleviation as "affordable" and "ensuring compulsory education, basic medical care and housing". By 2020. This perspective is multidimensional and also marks that "China has developed to the stage of multidimensional poverty alleviation". A review of China's poverty alleviation policy shows that rural poverty alleviation is not a shallow economic assistance, but a kind of "economic assistance" that will step up efforts to enrich and benefit the people, implement projects to improve people's livelihoods, accelerate people's income increases, and strive to achieve growth in line with economic development. By 2020, permanent rural residents' per capita disposable income will reach 19,000 yuan, with an average annual growth rate of about 8.5 percent. This means that all the poor people have been lifted out of "absolute poverty", which shows that China attaches great importance to improving people's living standards and increasing people's income, and also shows the importance and urgency of increasing people's income in social development. Therefore, it is necessary to study the factors influencing the income of urban-rural residents and the countermeasures to improve their income (Tang Rui & Xiao Tang Biang, 2020).

2. Literature Review

In 1986, the State Council set up a leading group for poverty alleviation and development to develop production and construction in poor areas. In 1994, the state issued the "87 Poverty Alleviation Plan", which identified three levels of poverty alleviation goals: solving the food and clothing problems of the poor, strengthening infrastructure construction, and improving the backward situation; In 2001, the State Council issued the Outline of Rural Poverty Alleviation and Development (2001-2010) to carry out village-wide promotion projects and attach importance to the integrated development of infrastructure construction, social services, and cultural training. Therefore, the evolution of China's poverty alleviation strategy adapts to different stages of economic development. More importantly, China's poverty alleviation policy improves the economic environment, creates a more equitable social development atmosphere, and gradually improves the welfare system through the concept of multi-dimensional "wealth." In order to examine poverty alleviation achievements more accurately, it is necessary to construct a more suitable evaluation framework. This paper uses Amartya Sen's feasible capacity theory (Sen, 1988; Sen, 1985) and the multidimensional poverty construction method recommended by the United Nations Development Programme and OPHI. Li, Y. (2020).

3. Methodology

3.1 Literature method

This article through the national, provincial, city, and county of statistical yearbook, statistics department can provide official, real statistical data, refer to the government work reports at all levels and so on series of literature, collect recent decades of administrative areas at all levels of the specific data and specific situation, analysis, in-depth study. Specific data includes rural residents' income, GDP and per capita GDP per year, tertiary industry proportion, agricultural output, local fiscal general budget revenue, total retail sales of social consumer goods, as well as a city reality development situation, advantages and disadvantages, and so on. All the data is guaranteed to be true and effective, so the research in this paper has practical significance.

3.2 Regression analysis

This paper uses SPSS data analysis software to realize the specific operation of regression analysis. SPSS offers a range of software products and related services for statistical analysis operations, data mining, predictive analysis, and decision support tasks. Regression analysis is just one of the many features it provides.

4. Results and Discussion

4.1 Regression analysis of the economic indicators of each professional field and the income of rural residents in a certain city

A city per capita net income of rural residents and a city macroeconomic professional development degree, its correlation, is a problem worth studying, if found between a city per capita net income of rural residents and specific economic areas have a corresponding relationship and learn the influence way, the government can be targeted to specific economic macroeconomic policies, in order to adjust the corresponding economic indicators, improve the income of rural residents. Here is the first place to discuss the selection of economic indicators to be analyzed.

The Chinese government attaches great importance to macroeconomic management and its functions. In the process of macroeconomic management, a city regularly holds government executive meetings convened by the mayor to discuss and study the development of major macroeconomic indicators and how to dispatch the macroeconomics of the whole city. Generally speaking, according to the work requirements of a city, the economic indicators of regular scheduling management mainly include the following 11 items.

(1) Regional GDP
(2) Fixed asset investment
(3) Total retail sales of social consumer goods
(4) General public budget revenue
(5) Industrial added value above designated size
(6) Industrial electricity consumption
(7) Introducing the domestic funds in place

(8) Actual utilization of foreign capital
(9) Total exports
(10) Total imports
(11) The number of projects of over 10 million yuan being started

Table 1. Data statistics of the income and macroeconomic indicators of rural residents in a certain city (the data of the middle years from 1985 to 2013 are selected in the table)

Time	Per capita net income (yuan)	Total agricultural output value (ten thousand yuan)	General budget revenue of local finance (ten thousand yuan)	Total retail sales of social consumer goods (RMB ten thousand yuan)	Total social investment in fixed assets (RMB ten thousand yuan)	Rural labor Force resources (human being)
1985	549	39292	3254.5	38105	2206	250831
1995	1784	168524	7327	119188	10831	237345
2000	2632	189985	14367	126235	78841	282250
2005	3870	260797	12648	180728	190056	350867
2011	9353.51	547434	140314	458688	1332030	375351
2013	10760	653149	228021	604460	1915215	373092

(1) Data collection

There are accurate statistics for the five selected macroeconomic indicators. The data is shown in Table 1. The research object of this paper is the impact of five macroeconomic indicators on the income of rural residents, covering the statistical data of five economic indicators for 33 years from 1985 to 2013. All the data is from the Website of China Statistical Yearbook which is relatively accurate and reliable (Lin Wanlong, 2021).

(2) Data processing

SPSS is used for multiple linear regression analysis of the data. The per capita net income of rural residents is selected as the explanatory variable, and the explanatory variables are total agricultural output value, general budget revenue of local finance, total retail sales of social consumer goods, investment in fixed assets of the whole society, and the number of rural labor resources:

Y: The per capita net income of rural residents in a certain city is 100 yuan
x1: Total agricultural output value
x2: General budget revenue of local finance
x3: Total retail sales of social consumer goods
x4: Fixed asset investment in the whole of society
x5: Number of rural labor resources

Establish a linear regression model of y, x1, x2, x3, x4, x5:

$$y=\beta 0+\beta 1x1+\beta 2x2+\beta 3x3+\beta 4x4+\beta 5x5+\varepsilon$$

Where ε is the random error.

Data input and output are shown in the following Table 2.

It can be seen from the results in Table 2 that the significance p values of local financial general budget revenue and fixed asset investment are 0.071 and 0.246, respectively, both of which are greater than the test standard of 0.05. Therefore, the general budget income and the investment in fixed assets of the whole society do not have a significant impact on the per capita net income of rural residents (Lin Zhibin, 2006).

4.2 Analysis of the relationship between the economic indicators of various fields and the income quantity of rural residents in a certain city

As can be seen from the regression model, the city's fixed asset investment and rural residents' income no significant quantity relationship, although a city has a large number of migrant workers in the construction industry bears hardships and stands hard work, its income for fixed wages, scale is smaller, the city's investment in fixed assets on

the rural residents wage income impact is not big, but also can see that the city's new construction projects did not bring huge economic radiation effect, no matter the fixed assets is more is less, farmers' income is still not affected. Local fiscal revenue also has little impact on the income of rural residents. In recent years, the local fiscal revenue of a city mainly comes from the tax of some large enterprises. Large enterprises are mostly located in and around urban areas, and the working workers are mostly urban population, so the correlation between local fiscal revenue and rural residents' income is not significant. According to the regression model, the coefficients of total agricultural output value, total retail sales of social consumer goods, and the number of rural labor resources are different, but they are all positive, showing that it is positively related to the per capita net income of rural residents (Wu Finance, 2020).

Table 2. Results generated by SPSS

Pattern	Unstandardized coefficients		Standardization coefficient		
	B	Standard error	Beta	t	conspicuousness; significance
1 (Constant)	-178930.503	41652.886		-4.296	.000
Total agricultural output value (ten thousand yuan).	.520	.169	272	3.068	.005
General budget revenue of local finance (ten thousand yuan).	.399	.212	.0601	.880	.071
Total retail sales of social consumer goods (ten thousand yuan)	1.178	.112	.642	10.479	.000
Total social investment in fixed assets (RMB ten thousand yuan)	-.028	.024	-.045	-1.188	.246
Rural labor resources (people).	.624	.193	.095	3.231	.003

5. Policy Implication and Conclusions

5.1 Policy recommendations and discussion

5.1.1 Four major components of comprehensively increasing the income of rural residents

Rural residents' per capita total income consists of four parts: wage income, operating income, property income, and transfer income. Among them, operating income is an important fulcrum to increase the income of rural residents, and an effective way to increase the income of rural residents. Other incomes also play a stable and important complementary role in improving the income of rural residents.

(1) Expand the source channels of operating income according to local conditions

1) Accelerating the development of agriculture with distinctive features

According to the natural conditions and resource advantages of agriculture, China's Agriculture and Rural Affairs Bureau should strengthen the construction of one township, one industry, one village, and one product, promote the production of characteristic agricultural products, promote the development of related industries, and promote the efficiency of agriculture and the increase of farmers' income.

2) Improve the level of agricultural industrialization, extend the agricultural industrial chain, and increase the comprehensive agricultural income The municipal government should guide the city to develop deep processing of all kinds of agricultural and sideline products, encourage entrepreneurship, actively attract investment, and build an agricultural development pattern of benefit sharing and risk sharing through mechanisms such as "company + farmer" and "cooperative + farmer", to continuously increase the business income of downstream rural residents (Justin Yifu Lin & Li Yongjun, 2005).

5.1.2 Suggestions on targeted poverty alleviation policies

Although the targeted poverty alleviation policy has achieved great success to some extent, it still has some shortcomings, so the following suggestions are put forward: 1. further improve the precision of the targeted poverty alleviation policy; 2. pay attention to consolidating the impact of the results of the poverty alleviation work in areas to prevent rural residents from returning to poverty after poverty alleviation (Sun Minghui, 2017).

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