



# Analysis on Constraint and Exit Mechanism Policy Principle of Poverty County of Guizhou Province

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## ABSTRACT

The poverty alleviation should be equipped with a set of sound “admittance - exit” mechanism as a system project, and the poverty county can be operated better and improved constantly to realize the organic combination of fairness is changed. The paper starts from analyzing the reason that the poverty county of Guizhou Province is not willing to exit, explores the policy of voluntary exit of poverty county, proposes the poverty county to change traditional thought on idea, and matches with the accurate poverty alleviation in the poverty alleviation work.

**Keywords:** Poverty county; Exit; Constraint mechanism

## 1. Reason for difficulty to uncapping of poverty county of Guizhou Province

The poverty dimension of Guizhou Province is very large, the poverty degree is deep, it can be said that it is the province with the most poverty population, 2015 data shows that: The poverty incidence rate is 8.2% higher than the national average level, of which the average poverty incidence rate of the poverty

county is 16%, up to 28%. The territory of the poverty county is greatly different, the poverty alleviation work is complicated, and the poverty county exits inactively under the original poverty alleviation background.

### 1.1 The system itself with “defect”

If the negative incentive effect exists in the poverty alleviation system itself, it will violate the original intention of the policy goal, even bring negative effect.

For a long time, the poverty alleviation work always concerns on the scale and force of poverty alleviation, and it can obtain the fund and policy support from central to local place after becoming poverty county. New Progress in Poverty Alleviation Development for Rural China White Book shows that: “2001-2010, the special poverty alleviation fund invested by central and local finances to national poverty county and provincial poverty county was RMB 145.72 billion,

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accounting for 71.3% of total investments, and the average investment of county was RMB 0.136 billion". These poverty alleviation investments not only include special poverty alleviation fund, but also include fund investment of each department (transportation, hydraulic engineering and electricity, education, health service and technological development) for poverty area involved in the social and economic development. The poverty county can also obtain the transfer payment fund: The poverty county is formally included into the list of national poverty county, and enjoys the preference of national poverty alleviation policy, firstly, from national special poverty alleviation fund; Secondly, the leading enterprise and peasant household of the poverty village can enjoy the loan with discounted interest; Thirdly, the poverty county can obtain the national transfer payments including salary of government functionary, tax deduction and exemption and preference and subsidy of important industrial projects. In addition, there are lots of national policy preferences in the investment attraction, financial investment and loan aspects.

The negative incentive of the system is that the poverty county relies on the policy assistance, but it is not good for exit of poverty county. Therefore, it can also explain the "proud of poverty" strange phenomena such as why to strive to become poverty county, bribe superior in order to be elected successfully even "warmly celebrate our county to be successfully elected as national level poverty county" and "warmly celebrate our county to be successfully included into the national centralized linked destitute area".

### *1.2 The poverty alleviation policy support with "advantages"*

For the economic development factor, a lot of economically strong counties are emerged in Guizhou Province. However, a comparison is ignored in our poverty alleviation work, why are most of these economically strong counties worn with "poverty" cap? In the ranking of the economically strong counties of Guizhou Province, there are several poverty counties in the top 30 counties. The poverty alleviation should not become the free welfare enjoyment place and "lifelong tenure", there should be a admittance and exit dynamic system, and the poverty county should establish correct development view, promote the self-development ability to get out of the

trouble finally, and the poverty county who reaches the exit condition should be timely checked and returned.

### *1.3 "idler" thought of waiting, reliance and demand*

Once the poverty state formed under permanent poverty condition becomes habit, it will breed a poverty culture. It relies on the fund support of the superior once admitting to the system, if the poverty alleviation system is not screened, the "support idler" thought will be formed as time passes without overcoming poverty.

### *1.4 Afraid of becoming "offender" in the event of uncapping of poverty cap*

The situation of poverty county of Guizhou Province is complicated, and some poverty counties are in remote mountainous area, developed in a closed space, and lack of contact with outside; Some poverty counties are not supported by industry, and the economic structure is single. The author understands that the "waiting, reliance and demand" thought is prevailed in the poverty county due to long-time development delay and concept of passive subsidy acceptance in the research.

### *1.5 There are "careless omissions" in the poverty alleviation work management*

The previous poverty alleviation emphasizes on the scale and force of poverty alleviation, how much investments and how about the effect, but pays less attention to the incentive and supervision of poverty alleviation. The actual assessment index of lots of poverty counties has been excessive for a long time, but they wear "poverty" and "rich" caps afraid of losing all preferential policies.

## **2. Establish the constraint and exit mechanism of poverty county**

### *2.1 Policy principle*

#### *(1) Policy goal*

The poverty alleviation is not to support idler and cannot support idler. Any excessive welfare will bring negative stimulation to running of system. For kinds of strange phenomena of so-called "the rich wears poor cap" and inactive uncapping poverty alleviation appeared in the poverty alleviation policy of the poverty county, there is only one policy goal of exit mechanism of poverty county to screen the poverty county which doesn't meet the policy enjoyment standard, and let the poverty county which does not meet nor no longer meets the poverty alleviation

poverty county to “exit rationally”.

The author thinks that the exit mechanism standard of the poverty county should be differentiated with the admittance standard, and not be linked fully.

The admittance mechanism is to realize “sufficient coverage” to ensure to maintain the minimum living expense required by normal survival, and the exit mechanism not only relies on the per capita net income index of peasant. The poverty is an absolute and relative concept, and the exit mechanism should pay attention to solving the final goal that the relative poverty can reflect better “poverty overcoming and self-reliance” of poverty alleviation. Therefore, a set of more scientific, reasonable and people first exit standard is designed.

(2) Perfect the assessment index system of poverty county

Establish the scientific assessment index. In order to change the state of inactive poverty alleviation of poverty county, not only the ruling attitude of county administer should be corrected, but also the assessment mechanism of the poverty county should be improved accordingly. The central poverty alleviation policy and fund are guaranteed to be implemented in the basic level more efficiently and transformed to poverty alleviation result, and the assessment index should be changed from single to diversified form. In the beginning of 2015, the central government required to reduce GDP assessment index in the poverty alleviation work assessment of the poverty area, and emphasized on improving the poverty population life level and reducing the poverty population quantity. Under the requirement of top-level design, the reason for poverty and performance of poverty county of Guizhou Province are quite different, there are ecological poverty and resource poverty, and the economic index is only applicable to some regions. Therefore, the single GDP economy is also developed to aggregative index, and the assessment index cannot be single.

The exit program should be submitted to assessment “from bottom to top”. Based on the filing and carding, the poverty county of Guizhou Province confirms the poverty overcoming goal with self-situation, and reports it for audit and confirmation.

Dynamic adjustment mechanism of poverty county. Rely on filing and carding, combine with the staged poverty overcoming change of poverty county,

and periodically conduct dynamic adjustment for poverty county. The benefit system cannot “be applied universally” according to the “rigidity” feature of benefit, and the mitigation period should be established.

## 2.2 *Appropriate stimulation guidance system*

(1) Reward according to the poverty overcoming degree, i.e. development production level.

Firstly, reward according to the poverty overcoming population and resident income increase degree. The county who actively exits the poverty county can be provided with a fixed poverty alleviation project reward fund every year. The poverty overcoming population can be rewarded according to the reduction range of poverty incidence rate reported by poverty county. Secondly, in order to stimulate the poverty county to uncapped, provide certain reward for the leading group of basic level. Thirdly, confirm the stimulation standard. The reward is provided to positively stimulate the poverty county to actively uncapped.

(2) Ensure the reward to be cashed and implemented and propaganda work.

Under the background of accurate poverty alleviation, the emphasis of the poverty work should be implemented to the household, not only the poverty county should be recognized accurately, but also the poverty alleviation work and project should be managed accurately. The stimulation effect of the stimulation poverty alleviation should be laid from residents, and the poverty county with outstanding poverty overcoming performance should be rewarded to form the model leading role and promote common prosperity. Complete propaganda work, implement reward to basic level, and avoid the phenomenon that the reward is not consistent with the actual contribution again.

In addition, it is defined that the reward of poverty overcoming uncapping is only a stimulation for a short time and temporarily. The reward and preference for villager should be treated equally.

## 2.3 *Problems to be considered in the constraint mechanism design thought*

(1) The “poverty trap” should be prevented firstly in the poverty alleviation policy

Our country should reform the poverty alleviation policy, pay more attention to the significance of efficiency while playing the fair role of poverty alleviation policy, so that the poverty alleviation

policy is not free “fund source”, but the “booster” of prosperity of the backward area. On one hand, the strict selection standard of poverty country is formulated strictly, and the poverty alleviation is pointed to solve the ordinary poverty problem; On the other hand, the poverty alleviation is matched with the social security system, and the poverty population is stimulated to get rid of poverty through promoting employment and improving social security treatment. If the county relies on poverty alleviation policy and does not actively overcome poverty under the background of long-term poverty alleviation policy support, a set of punishment system should be established.

(2)The stimulation system prevents the policy from new unfair problem

In order to stimulate the poverty county to uncap, all regions provide extremely attractive policy. However, the positioning of the reward can be only implemented for a short time at the initial stage of establishment of exit mechanism and not be implemented for a long time.

Therefore, the policy support scope of poverty county should be defined, the rights of poverty county in the public resource distribution process cannot be expanded and extended randomly, the resource distribution of the poverty county and non-poverty county is balanced, and the poverty alleviation resource cannot be fully centralized in poverty county.

(3)The supervision mechanism cannot be ignored

The supervision is an important link of exit mechanism. As mentioned above, the poverty country has been suggested to apply for exit from bottom to top, and the supervision work is examination and supervision and verification. The examination is a link of acceptance, the poverty overcoming application reported by poverty county is accepted, and is examined according to all indexes. The supervision and verification are to prevent “ambitious for great achievements” digital poverty overcoming. The clear positive stimulation guidance is included in the exit mechanism to prevent from exaggerating and falsely reporting the poverty overcoming performance in order to obtain the uncapping reward.

### 3. Conclusion

The paper analyzes the reason for reluctant exit of

poverty county of Guizhou Province, and explores the policy that stimulates the poverty county to exit actively. The analysis results show that:

(1)The poverty country is reluctant to exit due to special reasons, the majority has fierce wish of poverty overcoming, and the reliance on government poverty alleviation in mental aspect is not so fierce. Under the tempting of additional benefit, it is impossible and ridiculous to rely on conscious exit of poverty county. The strict standard and countermeasure should be sought in the system level.

(2)The policy goal of the exit mechanism is to stimulate the poverty county to exit actively. The main method is to design reasonable assessment index, and change original “from top to bottom” apportion to “from bottom to top” application for reporting.

(3)The exit standard, assessment index and supervision mechanism should be coordinated in the exit mechanism of the poverty county of Guizhou Province, the traditional through is changed, and it is assessed in the exit process in the unit of county, and is matched with the accurate poverty alleviation in the poverty alleviation work.

(4)The exit mechanism includes constraint and stimulation part. The constraint mechanism is only formulated for exit assessment, and the assessment index includes economic index and non-economic index. The stimulation mechanism is formulated for positive reward of exit county.

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