

The Common Prosperity Effect of Urbanization

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Abstract: As in the development history of all countries or regions that have successfully crossed the middle-income trap, urbanization or industrialization is an important engine of China's economic growth miracle because it can lead to a rapid increase in total factor productivity. The famous Kuznets curve implies that urbanization or industrialization can bring about a widening of the income gap between the rich and the poor during the stage of economic take-off. In fact, the level of income inequality in China has climbed sharply since the mid-1980s and remains high today, which seems to suggest the impossibility of achieving economic growth and improving income distribution at the same time. The purpose of this article is to analyze the distribution (i.e., "common") and growth (i.e., "prosperity") effects of urbanization and to provide a scientific basis for exploring the goals, paths, and policy initiatives to achieve common prosperity. The results show that urbanization not only significantly increases productivity, but also boosts domestic investment and consumption demand, thus contributing to the dual circulation and economic growth. At the same time, urbanization is the fundamental solution to solve the "issues of agriculture, farmers and rural areas" and to eliminate urban-rural segmentation, which is an important component of the income gap between the rich and the poor in developing countries, especially in China. Accordingly, the study concludes that urbanization and citizenization can be actively promoted to obtain the effect of both economic growth and improvement of income distribution, which is the only way to promote common prosperity in China.

Keywords: Common Prosperity; Urbanization; Citizenization; Income Distribution

Spatial Reorganization: Property Rights Integration of Idle Rural Housing and Effective Social Governance in Urban-rural Fringe Areas Based on a Case Study of Rural House Re-use in Shanghai

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Abstract: Urban-rural fringe areas, as the spatial carrier of migrant population and informal economic agglomeration, are facing a serious problem of losing control of negative externalities in space utilization. In the leasing and subleasing activities of rural housing and land, local villagers withdraw from villages and migrant people gather in urban-rural fringe areas, which promotes the decentralization of spatial property rights and generates a disorder of organized social space. As a result, the market autonomy and social constraint rules of space utilization are gradually becoming invalid. The spatial governance practices adopted by governments are also difficult to achieve lasting results in the strategic resistance of tenants. By integrating the use right of farmers' houses, rural collectively-owned enterprises acquired the management right of rural housing. Through the mechanism of benefit sharing, house owners, users and managers as the stakeholders are incorporated into the spatial governance framework, which promotes the formation of the mechanism of joint construction, joint governance and sharing in urban-rural fringe areas. In conclusion, the spatial reorganization mechanism based on property rights integration and the government-society coordination using the market as a governance tool can effectively solve the problem of runaway negative externalities of space utilization and provide experience for effective governance in urban-rural fringe areas in China.

Keywords: Urban-rural Fringe Area; Spatial Governance; Negative Externality; Property Right Integration; Rural Homestead

Property Rights Transfer, Value Realization And Revenue Sharing of Rural Residential Land Withdrawal: An Analysis Based on Field Surveys in Jinzhai and Yujiang

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Abstract: Reasonable revenue sharing of rural residential land withdrawal and effectively protecting the legitimate rights and interests of the property rights subjects of rural residential land are important ways to promote the withdrawal of idle residential land and improve the allocation and utilization efficiency of rural residential land. Following the logical line that "property rights structure determines the structure of revenue distribution", this article constructs a theoretical framework of "property rights transfer - value realization - revenue sharing of rural residential land withdrawal". Based on field surveys in Jinzhai County, Anhui Province and Yujiang District, Yingtan City, Jiangxi Province, the study analyzes rights transfer situations and revenue sharing ratios of rural collectives and rural households under different rural residential land withdrawal scenarios. The results show that, firstly, rural residential land withdrawal is essentially a transfer of rights by property rights subjects, and the different rights transferred by property right subjects determine their different proportion of revenue sharing in rural residential land withdrawal. Secondly, even if the same property rights are transferred by property rights subjects, they will actually share different amounts of revenue depending on different amount of value that can be realized by rights carriers. Thirdly, even in traditional agricultural areas and economically underdeveloped agricultural areas where market transactions are not active enough, such as the areas under examination, the revenue obtained by households from the transfer of qualification right to rural residential land is already significantly lower than the revenue from the transfer of use right. Meanwhile, rural collective economic organizations and villagers' groups, as the actual exercisers of rural residential land ownership, have not obtained their entitled benefits in the revenue sharing of rural residential land withdrawal. In conclusion, the revenue sharing of different property rights subjects on the proceeds of rural residential land withdrawal should be determined according to the type and extent of their rights transfer, with the reference to the value realization of rural residential land. Attention to rural households' property rights and interests in rural residential land should be shifted from the protection of qualification rights and interests to the manifestation and protection of use rights and interests. For traditional agricultural areas and economically underdeveloped agricultural areas, village collective economic organizations and villagers' groups have insufficient capacity to effectively enforce property rights, and their ownership rights and interests should be given enough respect and attention in the revenue sharing of rural residential land withdrawal.

Keywords: Rural Residential Land Withdrawal; Property Right Transfer; Value Realization; Revenue Sharing

The Impact of Digital Finance Development on the Operational Risks of Rural Financial Institutions: A Study Based on the Moderating Effect of Financial Supervision Intensity

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Abstract: As an important part of China's financial system, rural financial institutions have been undertaking the major task of serving agriculture, rural areas and farmers. In recent years, digital finance has achieved stable development in rural areas. In this context, what impact can the stable development of digital finance in rural areas have on the operational risks of rural financial institutions? How to adjust the intensity of supervision to realize the harmonious development of digital finance and rural traditional financial institutions? Based on the characteristics of rural financial institutions, this article analyzes the theoretical mechanism of digital finance development on the operational risks of rural financial institutions. The study conducts an empirical test based on the unbalanced panel data of 283 rural financial institutions nationwide from 2011 to 2019. The study finds that, firstly, there is an "inverted U-shaped" curve relationship between the development level of digital finance and the operational risks of rural financial institutions. With the development of digital finance, the operational risks of rural financial institutions increase firstly and then decrease. Secondly, financial supervision plays a regulatory role in the relationship between the development level of digital finance and the operational risks of rural financial institutions. The higher the intensity of financial supervision, the flatter the curve between the development level of digital finance and the operational risks of rural financial institutions, and the inflection point of the curve moves to the left. Thirdly, further analysis finds that digital finance promotes digital transformation of rural financial institutions, and this promotion effect has a nonlinear characteristic of increasing marginal effect. The above conclusions have implications for promoting the development of inclusive finance, optimizing the government role and stabilizing rural financial market in the future.

Keywords: Digital Finance; Supervision Intensity; Operational Risk; Digital Transformation

The Dynamic Impact of the Commercialization Reform of Rural Credit Cooperatives on the Urban-rural Income Gap Within the County: Evidence from Rural Credit Cooperatives' Conversion into Rural Commercial Banks

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Abstract: To a certain extent, rural credit cooperatives (RCCs) used to be regarded as monopoly suppliers in China's rural financial market. Can their commercialization reform truly benefit farmers and reduce urban-rural income gap within a county? On the basis of theoretical analysis, this article empirically analyzes the impact of the commercialization reform of RCCs on the urban-rural income gap in the county based on the balanced panel data of 982 RCCs and rural commercial banks (RCBs) from 2010 to 2019. The research results show that the commercialization reform of RCCs has a positive U-shaped impact on the urban-rural absolute income gap within the county, that is, the commercialization reform of RCCs will narrow the urban-rural absolute income gap in the initial stage and then expand it in 5-6 years after the commercialization reform is completed, and the commercialization reform of RCCs will continue to expand the urban-rural relative income gap in the county. The financial support for agriculture plays an intermediary role in the impact of the commercialization reform of RCCs on the urban-rural income gap in the county. Further research shows that the commercialization reform of RCCs has an inverted U-shaped impact on the urban-rural income gap in adjacent counties, and the effect of the commercialization reform of RCCs in the Eastern region is more satisfactory. In addition, the expansion of the development scale of rural credit system, the moderate increase of the shareholding proportion of legal persons and the increase of the number of financial institutions will help to narrow the urban-rural income gap in the county.

Keywords: Rural Credit Cooperative; Commercialization Reform; Urban-rural Income Gap; Financial Support for Agriculture; County Economy

The Impact of Increased Labor Costs on Farmers' Input Structure of Forestland Management: An Analysis from the Perspective of Supply Constraints of Forestry Socialized Services

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Abstract: From the perspective of supply constraints of forestry socialized services, this article discusses the key constraints and action mechanism of farmers' input structure adjustment of forestland management under the background of rising labor costs at the theoretical level. Based on the data collected from 9 provinces (autonomous regions) by National Forestry and Grassland Administration, the study uses the panel data Tobit model to conduct an empirical analysis. The results show that increased labor costs promote the capitalization of farmers' forestland input structure, but the positive effect is moderated by the supply level of forestry socialized services. At present, the low level of socialized services provision in the forestry sector leads to the absence of necessary conditions for factor substitution and inhibits the realization of factor substitution. Additionally, the input structure of forestland management is also affected by topographic factors and tenure factors. Among them, the moderating effect of topographic factors has been verified to a certain extent. The collective forestland tenure reform is beneficial to promoting the capitalization of forestland input structure. Furthermore, the moderating effect of forestry socialized services provision displays heterogeneities in three aspects, namely, labor market development degree, property rights intensity and land resource endowment. The findings suggest that it is feasible to optimize and upgrade forestland input structure through constructing forestry socialized service system and deepening collective forestland tenure reform.

Keywords: Labor Cost; Input Structure of Forestland Management; Factor Substitution; Forestry Socialized Service Provision; Induced Technological Change

Can Moving into an Agro-industrial Park Improve the Business Performance ? Evidence from 59384 Leading Agricultural Industrialized Enterprises in China

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Abstract: Based on data from 59384 leading agricultural industrialized (LAI) enterprises in China in 2019, this article analyzes the impact of presence in agro-industrial parks on the business performance of LAI enterprises and its mechanism. The study finds that the presence of LAI enterprises in agro-industrial parks does not necessarily improve business performance, and only modern agro-industrial parks can improve business performance of LAI enterprises. In addition, the characteristics of LAI enterprises can also influence the effects of moving into agro-industrial parks. Differences exist at the level of the industry to which the enterprise belongs on one hand, and at the level of the size of the enterprise on the other hand. Specifically, presence in an agro-industrial park has a negative effect on business performance of municipal LAI enterprises, while presence in a modern agricultural industrial park has a catalytic effect on the business performance of provincial LAI enterprises. Mechanism analysis finds that the presence in modern agricultural industrial parks mainly improves business performance of enterprises by promoting diversification and e-commerce development. The study holds that the government needs to consider the construction of agricultural industrial parks based on local conditions and advantageous agricultural industries. At the same time, enterprises have to choose whether to be located in agro-industrial parks according to their own resources and characteristics.

Keywords: LAI Enterprise; Agro-industrial Park; Business Performance; Diversification; E-commerce