Analysis on the Targeted Poverty Alleviation Path and Countermeasures of Private Economy in Yunnan Province

Tian Gan

Dianchi College, Yunnan University

Keywords: Yunnan province; Private economy; Poverty alleviation path; Countermeasures

Abstract: By the end of 2017, there were 1.81 million poor households in Yunnan Province, with a population of 1.476 million, with a poverty rate of 13.64%; The number of poverty-stricken counties reached 88, accounting for 68.2% of the county (city, district) administrative areas ¹. The task of poverty alleviation is very hard. In order to achieve "hematopoietic" poverty alleviation, it is necessary to use the industrial poverty alleviation method, which has become a major consensus of the national poverty alleviation work. In the industrial poverty alleviation, the private economy industry, which is increasing in proportion, is doing its part, and it is showing a booming trend under the "new normal" environment. This paper will analyze the methods, paths and countermeasures of targeted poverty alleviation in the private economy in Yunnan province.

1. Overview

The so-called new normal is a normal state that is different from the past and is restored after adjustment. It is a transformation of the economic paradigm. The outbreak of the global economic crisis in 2008 declared that the world economy has entered a period of "great adjustment" and "great transition". The background of this great era determines that China's GDP growth rate in 2016 has dropped below 7%, ending the state of above 7% over the past 10 years. The driving force of economic growth has gradually shifted from factors and investment to innovation. Therefore, many scholars believe that China's economy has entered a new normal of economic development since 2012.

In June 2015, General Secretary, Xi Jinping, emphasized in Guizhou that we should scientifically plan the poverty alleviation and development work during the "13th Five-Year Plan" to ensure that the poor would get rid of poverty as scheduled in 2020. Moreover, he once again put forward the view that "being targeted is the key, emphasis, and success of the poverty alleviation and development". Since then, the concept of "targeted poverty alleviation" has come into people's vision.

Located in the southwest of China, Yunnan has 25 border counties, which are borderline with Burma, Laos and Vietnam. It has the largest number of ethnic minorities in China. Its mineral, water, animal and plant, energy resources are rich, known as "animal and plant kingdom" and "non-ferrous metal kingdom". By the end of 2017, there were 1.81 million poor households in Yunnan Province, with a population of 1.476 million, with a poverty rate of 13.64%; The number of poverty-stricken counties reached 88, accounting for 68.2% of the county (city, district) administrative areas. To complete the goal of comprehensive poverty alleviation and comprehensively building a well-off society in 2020 as proposed by General Secretary Xi, the poverty alleviation work in Yunnan Province has a long way to go.

2. Requirements of Targeted Poverty Alleviation in Industries under the New Normal

2.1 High efficiency and high quality. The opposition of targeted poverty alleviation in industries is only relying on the government's extensive poverty alleviation. For a long time,

¹ The data comes from the "Guiding Opinions of the General Office of the People's Government of Yunnan Province on Accelerating Industrial Poverty Alleviation" (Yunnan government [2017] No. 139)

DOI: 10.25236/icssae.2019.131

because the data of poor residents mostly come from the level-by-level decomposition after sampling survey, and the changes of of rural residents' migration to cities as well as changes from rural to non-rural are complex, it is easy to cause the number of poor residents is not clear. The general method only stays in the poverty alleviation objects who are "estimated" by grassroots cadres, poverty alleviation funds are like "scattered flowers" and the government supervision is powerless. These result in "poverty alleviation every year, but still being poor every year", which seriously occupies and wastes the country's poverty alleviation resources and causes chaos. Therefore, accurate identification is the premise. It is necessary to accurately identify poor households through various channels, master the complete information of poor households and understand their needs.

- **2.2 Policies for poverty.** The implementation of poverty alleviation policies is targeted at households, villages, projects, funds and industries to ensure that the poor receive classified support and targeted help.
- **2.3 Clear assessment.** Compared with the extensive poverty alleviation, the targeted assessment with households can better enhance and improve the effectiveness of targeted poverty alleviation, strengthen the implementation of poverty alleviation policies, and lay a foundation for the final "poverty alleviation into the rich".

3. Current Situation of Poverty Alleviation in Yunnan Province

Poverty in Yunnan includes not only the general poverty factors such as geographical location, environmental resources, facilities, education and medical treatment, but also the special poverty factors such as "straight" social forms, ethnic customs, border war zones and so on. The complexity of the causes of poverty and the severity of the situation are among the few in the nationwide poverty alleviation work. Taking its border as an example, Yunnan has 8 states and cities, 25 counties and 16 cross-border ethnic groups along the border. In other areas, poverty alleviation can be achieved by improving infrastructure construction, adjusting local industrial structure and clarifying distribution system, but it is impossible to implement here. Many ethnic groups along the border have basically not established the basis of productivity and production relations in the modern market economy. In addition, the so-called "preferential care" policy implemented by neighboring countries has made poverty alleviation in the province extremely difficult.

Secondly, most of the direct poverty alleviation methods are mainly through the direct investment of financial allocation from superiors, which is incompatible with the local government's goal of accelerating regional economic growth. Besides, the poverty alleviation work is difficult to be checked and the ideological work is not in place. Local governments can easily divert poverty alleviation resources for other purposes.

In terms of industry, the development of Yunnan's private economy is still in a slow growth state compared with other provinces. As mentioned in the 13th Five-Year Development Plan of Yunnan private economy, "The growth rate of private economy in Yunnan has slowed down, rising by 0.4% in 2014 and only 0.1% in 2015." Such a speed of development is obviously unable to meet the province's industrial poverty alleviation requirements. In particular, the private economy of our province is mainly based on small and medium-sized enterprises and lacks support from large projects.

4. Research on the Provincial Targeted Poverty Alleviation Path of Private Economy under the New Normal

4.1 Industrial Aspect. It is necessary to cooperate with the government to do a good job in promoting and deploying industrial poverty alleviation work. We should take measures to suit local conditions, strengthen the follow-up of supporting measures, take "grasping key points, promoting foundation and ensuring development" as the goal, and take "company + peasant household", "company + base", "peasant household + base" as the way to encourage leading enterprises to take the lead in establishing a industry model of small-scale regional poverty alleviation with family as

the unit. We need to focus on the development of industrial clusters and enterprise clusters, implement "training + industry" to motivate the poor households, accurately train advanced production technologies and methods to poor households, and improve their production skills. Moreover, we also need to explore the mode of poverty alleviation by e-commerce, and implement "Internet +" to motivate them to break through the bottleneck of sales channels for agricultural products in poor areas. In addition, we can improve the level of industrial scale, intensive and professional development. In this way, we can guide most small and medium-sized enterprises to follow the path of "Profession-ism, refinement, specialization and innovation", form a group of "small but excellent" and "small but strong" enterprises, and promote the coordinated development of small and medium-sized enterprises and large enterprises.

4.2 Enterprise Aspect. Provincial leading enterprises should focus on regional comprehensive development, while private enterprises with strength and capital can cooperate with the government to form a regional economic industrial chain and solve the problem of contiguous poor areas. For example, the Ailao mountain area and the southwest border area can develop water conservancy construction, border trade and develop mountainous and tropical resources around the development of the river basin; The Tibetan region in Diqing plateau in the northwest can continue to give play to its ethnic advantages and develop tourism and cultural industries on the basis of insisting on cultivating forestry paper, animal husbandry and other pillar industries; The Hengduan mountains in the west can conduct poverty alleviation and development around mining, border trade and green industries.

Small and medium-sized enterprises can base on their local resources, which can be based on family management, in the form of economic management, with the goal of contiguous development, extending from a single production raw material to the processing industry, constantly tapping local features, and striving from low value-added to high value-added change. Combined with the current situation of poverty in Yunnan, we can make full use of the advantages of diverse biological resources here. According to the principle of circular economy and on the premise of sustainable utilization, we will focus on developing characteristic agricultural industries such as tea, coffee, plateau special food, flue-cured tobacco and sericulture. In addition, we can also carry out special forest industries such as collection of non woody forest products, domestication and breeding of wild animals, ornamental seedlings, and special tourism, such as tea culture, border culture, ecological experience and sports activities.

5. Research on Poverty Alleviation Strategies of Provincial Private Economy under the New Normal

- 1. The government should establish a comprehensive identification system of poor households and improve the dynamic adjustment and supervision mechanism. We can introduce private economy and give preferential fiscal and tax policies to help enterprises establish and implement the strategy of "enterprise + market" to motivate poor households, increase the added value of agricultural products and expand the market for special products.
- 2. Private enterprises should adjust measures to local conditions, explore the mode of affiliated support, encourage leading enterprises to transfer the land of poor households in poor areas, so as to establish production bases and employ poor workers. Enterprises should take poor households as the main force to form cooperative organizations, develop specialized production, and achieve economies of scale. The implementation of "affiliated support + guaranteeing dividends" can motivate the production enthusiasm of poor households. We should give full play to the advantages of various ethnic cultures, natural resources and special products in Yunnan. On the basis of the implementation of the "market project for thousands of villages and townships", we can vigorously develop small and micro enterprises and individual businesses such as ethnic food restaurants, ethnic food processing and handicrafts. This is not only helpful to increase the local employment, continuously add residents' income, but also helpful to protect and inherit ethnic cultural traditions.
- 3. For some poor households who are widowed, elderly, sick or disabled, or unable to produce, we can implement "capable person + entrusted care" to motivate the poor households. We can also

transfer skilled people from private enterprises, give subsidies, entrust them management, give full play to their strength, so as develop production, feed the poor households unable to produce.

- 4. We can establish a monitoring and reward and punishment mechanism. On the basis of fully and seriously implementing the existing support policies, some more targeted and operable private economic supporting policies are introduced to optimize the environment for private economic development. On the one hand, in this way, we can try to attach the loans and support funds enjoyed by the poor households to the new business entities, and implement the year-end guaranteed dividend to stimulate the enthusiasm of the private economy for poverty alleviation and the participation of farmers. On the other hand, in this way, poverty alleviation can be included into the category of year-end assessment and fiscal and tax rewards for private economy, so as to further "escort" poverty alleviation for private economy.
- 5. It is necessary to explore and establish the driving mode of rural tourism in ethnic border areas and drive the poor households into the ethnic tourism industrial chain. We can focus on the themes of ethnic foods, ethnic handicrafts, and ethnic customs on the plateau to encourage poor households to start from their own abilities. Only through short-term study and training, poor households can master the ability of production development, and find a scientific way to alleviate poverty by expanding its connotation, improving its efficiency, enhancing its ability and stabilizing its effect.

References

- [1] Liu Yazhen. The Core Essentials and Policies of Targeted Poverty Alleviation in China. New Silk Road, 2018(12).
- [2] Lv Huaiyu. Reflections on the Turning of the Poverty Alleviation Model in Yunnan Province. Thinking, 2012(2).
- [3] Yunnan Industrial Information Committee Portal. The 13th Five-Year Plan for the Development of Private Economy in Yunnan Province, Sep., 2016.
- [4] Ruan Chengfa. Report on the Work of Yunnan Provincial Government. The first meeting of the 13th People's Congress of Yunnan Province, Jan., 25, 2018.