

# *Research on Financial Support for Rural Infrastructure Construction*

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**Abstract:** The development of global economy has brought a far-reaching impact on China's financial industry. The development of China's financial industry is related to the growth of China's GDP and is conducive to improving China's international competitiveness. Therefore, the development of the financial industry is very important for the sustainable development of China's economy. In order to ensure the sound and rapid development of China's financial industry, we should not only strengthen the urban infrastructure construction, but also strengthen China's financial infrastructure construction. Because China's rural population accounts for more than half of China's total population, it also puts forward new requirements for the construction of financial infrastructure. In this way, we can really promote the rapid growth of the national economy and strengthen China's economic construction.

## **1. Introduction**

The development of rural finance should take the construction of rural infrastructure as the basic premise, so as to promote the rapid development of rural financial industry. However, in the actual rural areas, China's rural financial infrastructure is relatively backward, and the coverage of financial institutions is not comprehensive, which seriously restricts the development of rural finance, affects the improvement of people's living standards, and is not conducive to the development and construction of agriculture. This requires relevant departments and staff to pay attention to this phenomenon and take some improvement measures, so as to promote the pace of rural economic construction, promote the rapid development of China's rural financial industry, effectively improve the quality of life of farmers and meet the basic needs of national economic development.

## **2. Current Situation of Rural Financial Infrastructure Construction**

China's financial services are produced by social development, which is the inevitable requirement of the times, so the construction of financial infrastructure is very important. Because people pay more attention to the construction of urban financial infrastructure, there is a lack of financial services in rural areas, resulting in urban-rural differences, which is not conducive to the coordinated development of society and economy. In the actual rural areas, there are few areas with outlets and financial services

in China, but China is a country with a large agricultural population, which leads to the extremely unbalanced development of the financial industry[1]. At present, China's rural infrastructure construction is mainly distributed in agricultural reclamation and relatively large towns, and the facilities of financial institutions are not very perfect, which is not conducive to the rapid development of China's rural financial industry and seriously affects the development of China's overall economy. Although our government has implemented some financial subsidy policies, it has not been implemented in rural financial infrastructure. Therefore, this situation needs to be improved urgently. This is the basic situation of China's rural financial infrastructure construction.

### **3. Existing Problems**

#### **3.1 Insufficient Attention of Relevant Departments**

The main reason for the insufficient number of rural financial infrastructure construction projects lies in the neglect of this problem by relevant departments in China, that is, insufficient attention, which leads to a serious shortage of rural financial infrastructure, a large gap with the number of urban financial infrastructure, and the imbalance of economic development[2]. Due to the insufficient attention of relevant government departments, the support will be reduced, the enthusiasm of financial institutions in the banking industry will be disturbed, and the overall economic benefits of rural areas will be affected. The relevant departments do not pay enough attention to it, which is due to various reasons. They think that financial institutions are only a means of making profits, but do not see the positive effects on agriculture, society and so on. It is precisely for this reason that the rural financial infrastructure has not been specifically implemented.

#### **3.2 The Input-Output Benefits of Rural Financial Infrastructure Construction Being Low**

Input-output is often considered in the process of enterprise fund management, which is also a very important issue, because it is related to the actual economic benefits of enterprises, so enterprises will pay attention to this consideration in fund operation. In the process of China's rural financial infrastructure construction, this is also a problem that needs to be considered. It is precisely because of the low input-output benefits implemented in China's rural areas that China's rural financial infrastructure construction has not been implemented and developed. This is mainly caused by the uncoordinated economic development between rural and urban areas. It costs more in the early stage, but the economic benefits in the later stage are small, which is greatly related to the low consumption level in rural areas, and people are more willing to use cash consumption, so the economic benefits of input and output are low, Thus, the willingness of rural financial infrastructure construction is not strong, which restricts the construction and development of rural economy.

#### **3.3 The Sustainable Development Capacity of Rural Financial Business Being Weak**

The weak sustainable development ability of rural financial business is also an important factor affecting the construction and development of rural financial infrastructure. Due to the lack of free funds of financial institutions and the fact that various outlets in rural areas are far apart, the equipment can not be fully installed and used[3]. In addition, the later maintenance and management of equipment and other infrastructure is also very important, but it is difficult, which is not conducive to the

sustainable development of financial business. In addition, some credit functions cannot be operated and developed for a long time. Due to high personnel costs and transportation costs, the specific application of functions is affected.

### **3.4 The Level of Science and Technology Being Backward**

The insufficient number and implementation of rural financial infrastructure projects are also partly due to the backward level of science and technology in rural areas, which seriously restricts the development and construction of rural financial infrastructure and has a serious impact on China's economic development. In particular, local banks have serious deficiencies in electronic information technology and data processing, which is not conducive to the development of China's financial industry, but also has a certain impact on the development of the financial market. This is mainly caused by the poor network foundation in China's rural areas, and the line output and equipment signals can not meet the requirements of facility construction. Therefore, there are still some difficulties in the actual construction process, which forms the unity of the function of rural financial institutions. They only pay attention to handling network financial business, for online banking The concepts and services such as mobile banking are not understood and implemented, and the application rate in rural areas is not high.

## **4. Policy Recommendations**

### **4.1 Giving Full Play to the Functions of Government Departments**

Facing various problems in the construction of rural financial infrastructure, China's relevant departments and personnel are required to put forward some feasible suggestions to promote the real implementation of rural financial infrastructure. First of all, we should strengthen the functions of the government in order to give full play to the role of the government, which is conducive to China's economic construction and rapid development. This requires the government to give some policy support, so as to strengthen and speed up the construction of rural financial infrastructure. This reflects the role of government policies, can produce incentives, mobilize the enthusiasm of financial institutions, reasonably optimize the allocation of resources, and make the rural economy develop in a fast and good direction. At the same time, China's relevant departments are required to truly realize the importance of strengthening the construction of rural financial infrastructure, so as to promote the long-term development of rural economy and promote the development pace of economic construction.

### **4.2 Accelerating the Reform of Supporting Financial System**

(1) Further optimize the structure of financial subsidies. At present, the financial support for “agriculture, rural areas and farmers” is mostly concentrated in credit, and the financial support for financial infrastructure, especially the construction of financial environment in rural areas below villages and towns, is relatively insufficient. It is suggested that the construction of rural financial infrastructure should be included in the scope of financial subsidies, and financial subsidies should be given to the formal outlets, financial service convenience points, ATM, POS and other self-service equipment set up by financial institutions in rural areas; (2) Improve relevant financial subsidy policies. Establish the principle of “taking care of remoteness, giving consideration to fairness and differentiated

subsidies”, formulate different subsidy standards according to different regions, business classifications and financial service returns, incorporate the network coverage into the subsidy assessment indicators, improve the enthusiasm of financial institutions and Payment institutions, and encourage them to increase investment in areas with weak rural financial infrastructure[4].

### **4.3 Financial Institutions Making Effective Use of Funds and Strengthening Their Service Purpose**

(1) Banking financial institutions should clarify the key points in the construction of rural financial infrastructure, use construction funds in a hierarchical and orderly manner, reasonably allocate the capital investment proportion of each part of construction, and improve the capital operation efficiency; (2) All financial institutions should be based on the overall situation, assume social responsibility, pay more attention to people's livelihood while caring about profits, fully realize that rural financial development is the basis of the whole social and economic development, and make positive contributions to rural financial development.

### **4.4 Multi Channel Introduction of Technology and Funds**

Strengthening the construction of rural financial infrastructure can also start with the introduction of technology and capital. Multi-channel quotation has become the key. Increasing the investment of human resources is one of the main methods. By increasing the investment in human resources, we can reasonably introduce available talents, so as to ensure that there are professional technicians in local banks to a certain extent, which is conducive to bringing high technology into the countryside; In addition, the introduction of funds can be realized by encouraging private capital investment. On the one hand, the state has issued relevant policies, the investment of enterprises is on the one hand, and the investment of private capital is on the other hand, so as to promote the circulation of funds, strengthen the construction of rural financial infrastructure, improve corresponding facilities, and optimize maintenance and services, Effectively solve problems and promote the rapid development of rural economy[5]. The State shall issue policies, formulate the construction standards of rural service outlets, introduce enterprises and private capital for investment and construction, and give certain preferential subsidies. After the acceptance is up to standard, the wholly-owned acquisition shall be handed over to commercial banks for operation and a certain fee shall be charged.

## **5. Conclusion**

Finance is an industry related to capital operation and has an important impact on China's economic development. The construction of infrastructure is of great significance to the economic development of various regions, which is the basic prerequisite for the development of financial industry. However, people often pay too much attention to the infrastructure construction of Urban Finance and ignore the infrastructure construction in rural areas, which leads to many problems, which is not conducive to the development of rural economy, has an impact on rural life, and seriously restricts the development of agriculture in China. Therefore, to study these problems and formulate effective solutions is conducive to promote the rapid economic growth in rural areas. At the same time, it is also conducive to accelerating the rapid development of China's financial industry and improving China's economic interests.

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