

Construction of Legal System for Rural Financial Linkage Based on Rural Revitalization Strategy

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Keywords: Rural revitalization strategy; Rural finance; legal system

Abstract: Rural revitalization is one of the necessary tasks to achieve Common prosperity. In the new era, staff at all levels should attach importance to rural revitalization, and comprehensively promote and promote rural economic development from multiple perspectives. The rural revitalization strategy is not only the transfer and continuation of poverty alleviation achievements, but also a strong guarantee for high-quality development of rural economy. At present, there are still many problems in the development of rural financial services, which to some extent hinder the development of the rural economy. The promotion of rural revitalization has stimulated the vitality of rural development, leading to an increase in financial demand in rural areas. However, due to imperfect rural financial legislation, some rural business entities are facing financing difficulties. Rural finance is the financial and policy guarantee for rural revitalization, and strengthening the legislative construction of rural finance is the legal guarantee for rural revitalization. The economic development level of the vast rural areas in China is relatively lagging behind that of the cities, and the development level of the financial industry is generally low. The construction of the financial regulatory system is also not perfect enough. On the basis of analyzing the legal issues in rural financial supervision in China from the perspective of rural revitalization, this article proposes targeted solutions.

1. Introduction

In recent years, China's economy has flourished, and financial reform is being comprehensively promoted to ensure sustainable economic development. For a long time, China's rural financial reform and innovation have adhered to putting the people at the center, serving the overall situation of rural economic construction and agricultural development [1]. The key to the development of rural finance lies in legislation. Only by scientifically legislating rural finance, promoting rural financial development with more comprehensive legal regulations, and providing sufficient funding sources for rural areas can we better achieve the goal of rural revitalization [2]. Strengthen the legal guarantee for rural revitalization, legalize effective rural revitalization policies, and fully leverage the role of legislation in ensuring and promoting rural revitalization.

Implementing the rural revitalization strategy is a major decision and deployment made at the 19th National Congress of the Communist Party of China, an inevitable requirement to solve the main contradictions in Chinese society in the new era, a necessary path to achieve modernization of agriculture and rural areas, and a main direction for the financial industry to do a good job in agricultural financial business [3]. To ensure the effective implementation of the rural revitalization strategy while ensuring the timely and comprehensive victory in the poverty alleviation battle, it is necessary to support the healthy development of rural finance and promote financial integration to provide strong economic security [4]. To vigorously develop the agricultural economy, it is necessary to attach importance to the steady development of rural finance. How to solve the legal issues of the current rural financial system is a hot topic, and it is also an important guarantee and foundation for financial development. Rural financial supervision is also the primary issue of the rural financial legal system. Strengthening the legal protection of rural financial supervision is of great significance for promoting the standardized and orderly development and healthy and stable

operation of rural finance. At present, the development of rural economy is still subject to significant financial constraints, and the marketization of rural finance has developed relatively late and to a relatively low extent. The specific implementation measures of the current legal system for rural financial supervision urgently need to be further optimized. These problems and shortcomings constrain the healthy development of rural finance. Agriculture occupies the most important position in China's industrial structure, which determines that rural finance also holds a core position in China's overall financial structure. As the core of agricultural and rural economic development, finance is rooted in the implementation of the two Grand strategy of poverty alleviation and rural revitalization, and promotes the development of rural economy to a higher level. To assist in the smooth implementation of the rural revitalization strategy, stimulate the vitality of rural economic development, effectively leverage financial advantages, and timely adjust and improve the legal system of rural financial supervision is imperative [5].

Rural finance is the main driving force and driving force of the rural economy. Only by better developing rural finance can the agricultural economy industry achieve better development and play a promoting role in its development [6]. Therefore, it is necessary to concentrate efforts to alleviate the financial support difficulties for the development of agriculture, rural areas, and farmers, improve the financial guarantee for rural revitalization through top-level design and institutional construction, and accelerate the promotion of rural financial legislation.

2. Legal Issues in Rural Financial Supervision in China

2.1. Incomplete Regulatory Legal System

With the development of society and economy, an important issue faced by China's rural financial regulatory legal system is the imperfect regulatory legal system. Although it has begun to take shape, there are still some shortcomings [7]. Against the backdrop of the continuous development of private finance and the reform and innovation of rural finance, there are many inconsistencies between the corresponding laws, regulations, and supervision standards and the current development of rural financial markets. More general regulations or guidance opinions are made from the macro level, with relatively weak operability and pertinence. With the globalization of the economy, a relatively complete financial system has also been established in the financial sector, and rural finance has also been affected by globalization from being closed to being open. It is worth noting that the rapid growth of the financial system has not driven the growth of relevant legal systems, and the corresponding legal systems have not been well implemented, which has become a thought-provoking issue. Affected by the lack of legislation and experience in rural finance, private finance, which plays an important role in rural areas, still remains outside of financial supervision, posing certain challenges to the healthy and healthy development of rural financial markets.

China's rural finance operates separately and adopts a multi departmental and multi-channel regulatory model. This operational and supervisory model has led to a failure to timely share regulatory information and coordinate regulatory content among financial regulatory agencies and between institutions and the central bank. The regulatory objectives and fields of different regulatory subjects are different, which results in uncoordinated and even contradictory provisions in the relevant regulatory policies and systems, resulting in the plight of Rural credit cooperative in multiple supervision.

2.2. Simple Regulatory Methods and Weak Grassroots Regulatory Forces

In the context of agricultural modernization, new requirements have emerged for the development of agricultural finance. If the urban model is rigidly applied in rural financial supervision, it will inevitably lead to difficulties in adapting to the actual development needs of agriculture. From the current legal system of financial regulation, although the existing laws and regulations cover the financial market in terms of verification, revocation, and other aspects, there are still no specific procedural provisions, mostly principled guidance, and specific implementation

also faces challenges. The current stagnation of rural financial supervision in China is due to the fact that the regulatory system of the China Banking Regulatory Commission is mainly composed of county-level financial departments, with fewer and lower quality regulatory personnel, and insufficient regulatory coverage. At the same time, grassroots supervision is unable to penetrate into the actual operation of rural credit cooperatives due to various factors, and the regulatory efforts are insufficient, resulting in a growing contradiction with the development of rural finance [8].

There is also an unclear regulatory responsibility between the China Banking Regulatory Commission and local governments, a lack of effective control and coordination mechanisms, insufficient cooperation in addressing the supervision of rural credit cooperatives, overlapping supervisory functions, and a lack of information communication during the regulatory process, resulting in low regulatory efficiency. Due to the low efficiency of rural financial supervision, this inefficient model has led to a very slow development level of rural financial supervision institutions, which lack self-renewal function and subjective initiative. At the same time, due to its own limitations, the rural financial market is difficult to provide multi-level financial services to rural financial participants. The diversity of financial income of rural financial participants is much lower than that of urban residents. Rural financial participants not only do not enjoy the economic benefits of development, but also do not receive corresponding financial rights and attention. The participants in the rural financial market are mostly farmers living in vast rural areas, with a limited reserve of financial knowledge and a lack of awareness of financial risk prevention. The channels for obtaining legal systems and related financial knowledge related to financial supervision are not smooth.

3. Optimization Path of Legal System for Rural Financial Supervision in China

3.1. Establish A Rural Financial System

Due to historical reasons and various current conditions, the reform of rural financial system should still follow the mandatory institutional changes led by the government and gradually delegating power. On the premise of ensuring financial security, Economic security and rural economic stability, the market-oriented reform will be steadily promoted under the leadership of the government. When the system is relatively perfect, it will gradually transition to induced institutional change. Starting from the improvement of the organizational system, a specific framework design has been carried out for the current rural financial system, as shown in Figure 1.

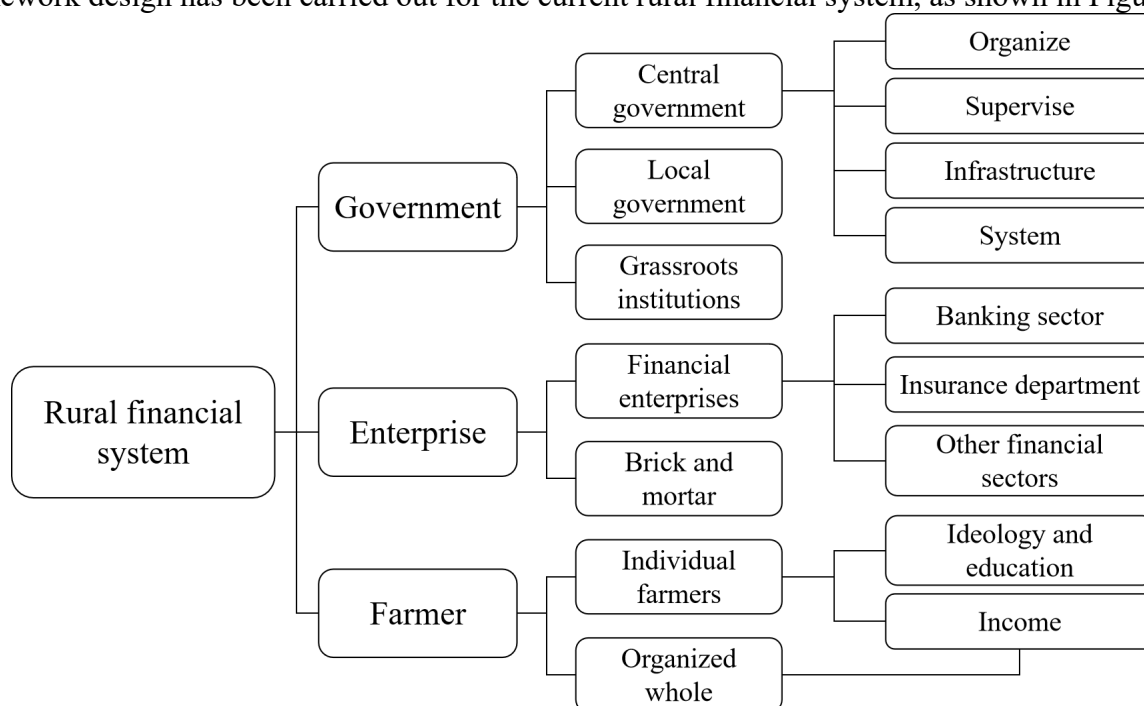


Figure 1 Design of Rural Financial System

Due to the fact that the rural financial system has three main participants: government, enterprises, and farmers, the framework design starts from three stakeholders. At the government level, it mainly builds a basic platform for the rural financial system, and the central government should build the platform from four aspects: organization, regulation, infrastructure, and system. At the enterprise level, it is mainly on the platform established by the government to strengthen the connections within enterprises and between financial enterprises and physical enterprises, activate capital flow, and gradually achieve marketization of the rural financial system. At the level of farmers, strengthen the participation of individual farmers and collective organizations in the rural financial system, start to transform their ideological consciousness, and increase communication with the government and enterprises [9]. At the same time, we should vigorously develop agriculture, increase farmers' income through agricultural development, and then promote rural reform through farmers' income. The three should form a good cycle, promote rural economic development, and achieve rural revitalization. Figure 2 shows the interactive model of rural revitalization industry financial structure.

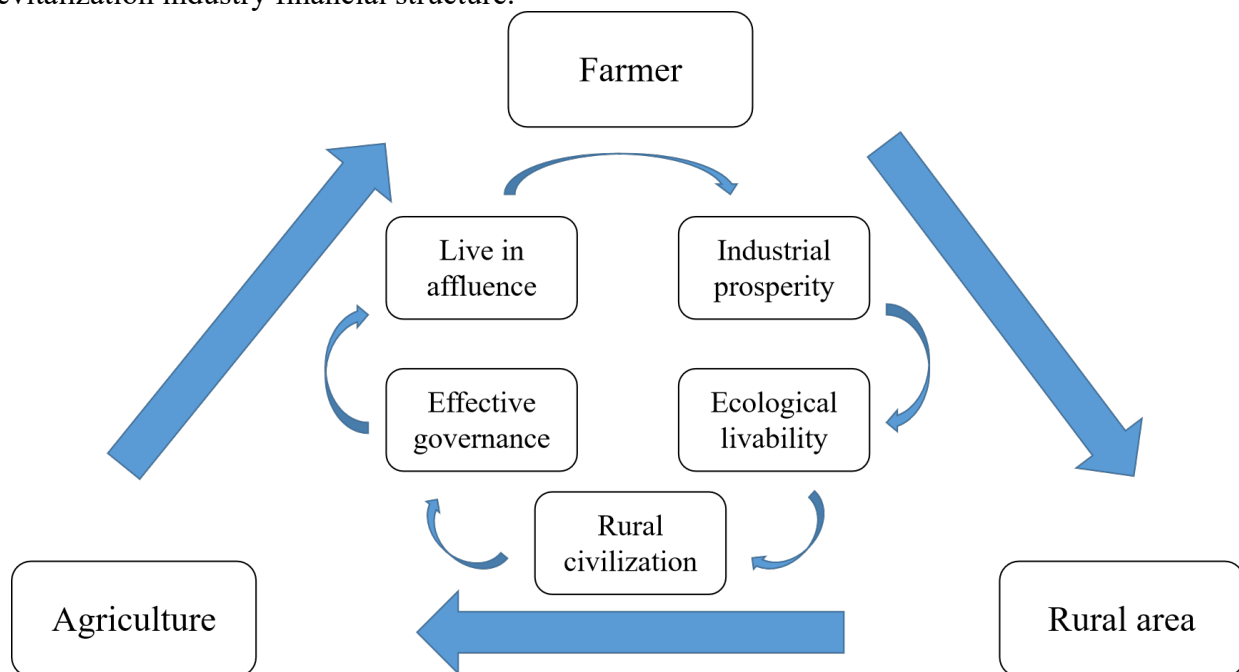


Figure 2 Interactive model of industrial and financial structure for rural revitalization

3.2. Improve the Regulatory Legal System

In order to ensure the healthy operation of the rural financial market and properly solve the problem of insufficient legal and regulatory protection in rural financial reform, we should adhere to a problem oriented approach and develop and improve the rural financial legal system based on the current reality of rural financial development [10]. No matter how the development direction of financial regulation changes, its core content must always revolve around the safety and efficiency of financial regulation. Therefore, the regulatory concept of "balancing safety and efficiency" should be firmly established, and the legal principles of rural financial regulation in the new era should be further clarified. Timely revise and improve relevant laws and regulations on rural financial supervision, comprehensively clean up laws, regulations, and policy documents that are no longer in line with the current development of the rural financial market, and do a good job in legislation, reform, and abolition. Due to potential safety hazards, it is necessary to strengthen rural financial legislation. Especially with the current prevalence of illegal fundraising, public security organs should not only promote and guide the public, but also use the social harm level of illegal fundraising as a reference for filing and handling cases. In order to better protect the financial rights of farmers and prevent further widening of the wealth gap between urban and rural areas, a regulatory system based on the principle of preferential protection should be established on the basis of ensuring equal access to financial services and resources between urban and rural areas. In

addition, separate supervision should be carried out based on the diversified and differentiated characteristics of rural financial entities, and different entities should be regulated through different levels and types of financial institutions. Through this model, the characteristics of rural finance can be better utilized, thereby promoting better, faster, and healthier development of rural finance under the macro control of the government.

4. Conclusions

In the new historical period, the construction and development of rural areas have an undeniable impact on China's stability and long-term development. China's economy is rapidly developing, and the level of urbanization is gradually improving. Rural finance is an important driving force for agricultural development and farmers' income growth. Rural supervision is like the "steering wheel" of agricultural finance, controlling the development direction of agricultural finance. The main constraint factor for China's comprehensive construction of a moderately prosperous society is the imbalance in urban-rural development, and achieving rural revitalization is an important historical and political task for rural financial services. In order to promote the strong supporting role of finance in the implementation of rural revitalization strategy, it is necessary to continuously reform and innovate rural finance, improve the legal system of rural financial supervision, provide more comprehensive and high-quality financial services for farmers, and promote the continuous development of rural economy, thereby achieving the goal of rural revitalization. The legislative work of rural finance is a systematic project that requires both macro control and specific deployment by the country, close cooperation from financial institutions, and close support from relevant departments. The central government, local governments, and grassroots organizations in townships should make good use of various policy tools to become a "promising" and "effective" government, respect the needs of farmers, guide the development of rural financial markets, achieve rural revitalization, and ultimately promote China's economic growth and the construction of a comprehensive well-off society.

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