

**FROM POVERTY
ELIMINATION TO RURAL
REVITALISATION:
THE PARTY TAKES CHARGE**

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Xi Jinping boosted the prominence of rural affairs when he came to power in 2013 and outlined his vision for China's future development.¹ That vision was built around the 'Two Centennial Goals': first, that China would become a moderately prosperous country by 2021, the year of the 100th anniversary of the founding of the Communist Party of China (CPC), and second, that China would become an advanced, high-income and strong country by 2049, the year of the 100th anniversary of the founding of the People's Republic of China.

To achieve the first centennial goal, the Party needed to address rural poverty since the highest concentrations of poverty were in the countryside.² In 2013 Xi Jinping launched the Targeted Poverty Alleviation Programme 精准扶贫, which shifted poverty targeting from regions to households.³ Once target households were identified, each was allocated a government official who was tasked with lifting household members above the absolute poverty line of RMB 4,000 (US\$620) per person per year. Their careers depended upon it. Assigned party members would try to help people find jobs and sell their produce, and sometimes simply gave people money. The Party also directed government agencies to invest in rural infrastructure and provide grants to rural areas where there were large numbers of poor households. Local government leaders who failed to eliminate poverty in their jurisdictions would not be eligible for promotion.

In 2021 Xi declared 'complete victory' in the struggle against extreme poverty, announcing that 99 million people had been raised above China's official poverty line as a result of the targeted poverty campaign.⁴ The announcement enabled Xi to claim that his first centennial goal had been met, even though the livelihoods of many hundreds of millions of farmers remained very modest. China's official poverty line of 4,000 yuan (US\$620) a year is equivalent to \$1.69 a day, which is less than the World Bank's threshold of \$2.15 a day, and far below the World's Bank recommended national poverty threshold for upper middle-income countries such as China, which currently stands at \$6.85.⁵ If applying this threshold, barely half of China's population would sit above it, as former Chinese premier Li Keqiang observed at a 2020 press conference (see 'Inequality in China: The Challenge of Common Prosperity', page 65).⁶

Following the 2021 declaration of victory against poverty, Xi Jinping raised the profile of the campaign to ‘revitalise the countryside’ 乡村振兴, which would become the Party’s new catchcry for rural development and an essential component of China’s march towards Xi’s second centennial goal. As Document No. 1 (2023) noted, ‘The most arduous and heavy task of building a modern socialist country in all respects still lies in the countryside.’⁷



Roadside billboard in Yunnan province: ‘Where there is black, sweep it, where there is no black, eliminate evil, and where there is no evil, cure disorder’

Source: Ben Hillman

Since its launch in 2021, the significance of rural revitalisation for China’s national development strategy has become increasingly apparent. Rural revitalisation matters for ‘dual circulation’: China’s plan for future growth to be driven as much by consumer demand as by exports. It matters for employment—new rural enterprises are being touted as job-generators for new graduates. It also matters for ‘common prosperity’: the need to address the still wide gap between rural and urban incomes. And in the wake of US/China tensions and heightened concerns in Beijing about China’s high dependence on food imports, rural revitalisation matters for food security. The program also intersects with the Xi Jinping administration’s

economic policy slogans ‘green development’, ‘ecological civilisation’ and ‘beautiful China’. Rural revitalisation envisages beautiful and sustainable villages where people will want to live and visit.

Xi’s second centennial goal includes a vision of China as an ‘agricultural superpower’ 农业强国. Party documents emphasise the need to modernise farming practices and develop new agricultural technologies. Document No. 1 (2023) outlined nine tasks for China’s ‘rural revitalisation’, including the stabilisation of grain supply, increased domestic production of key agricultural products such as soybeans, and the expanded use of modern agricultural technologies.⁸ Investments in rural infrastructure will continue under the program, but most government subsidies will be directed toward new local industries.

The Party’s plan for achieving its ambitious rural revitalisation agenda is to put itself in charge, reasserting party authority in the countryside in much the same way the Party has expanded its control over other social and economic domains in recent years. Document No. 1 (2023) emphasises the important role of the Party in rural governance, calling for full implementation of policies empowering the village party branch to lead the village (in place of the elected village committee). Village party secretaries are now required to take over the formerly separate position of village leader under a party policy known as ‘two burdens on one shoulder pole’ 两副担子一肩挑. This policy requires township officials to orchestrate village elections to ensure that the village party branch secretary wins. Because the village party secretary frequently now stands unopposed in such elections, only minor positions, such as deputy village head or village accountant, are contested.⁹

The Party has also used a law-and-order campaign to chase ‘undesirable’ candidates out of consideration for village leadership. The campaign to ‘Sweep Away Black and Eliminate Evil’ 扫黑除恶 ran from 2018 to 2020 and has now been streamlined into local government and police work.¹⁰ In rural areas the campaign targeted ‘village tyrants’ 村霸, who had built their own

independent kingdoms and amassed power outside the state governance system. Villagers who had been 'dealt with' as part of the campaign typically became ineligible to run for village office.

During the week of 24–28 April 2023, the CPC's Central Party School organised its first nation-wide training program for China's village leaders. Offered via video link and run through 3,568 classrooms across the country, the training covered five main topics: 'developing and strengthening the village-level collective economy', 'party-building leading rural governance', 'doing in-depth and detailed mass work', 'strengthening village party organisation into a solid fortress', and 'building a beautiful, Red village'. A Xinhua news report of the training cited Kong Qingfan, party secretary of Tongfa village, Qing'an county, Heilongjiang. According to Xinhua, party secretary Kong 'believes that the village Party organization secretary must truly become the "leading goose" of rural revitalisation, and the grassroots party organisations must truly become the "backbone" of the people, shouldering their mission and responsibility in line with the [party's] original intention' (i.e. original revolutionary spirit, *chuxin* 初心).¹¹

To further strengthen party organisation at the grassroots, the party has dispatched a plethora of cadres from government agencies and public institutions, including universities, banks and state-owned enterprises (SOEs). Xi Jinping has revived and expanded the position of first secretary 第一书记, an official who is deployed from outside the village and whose mission is to strengthen the leadership and management capacity of the village party branch and village party secretary. A first secretary is meant to serve as a trainer, mentor and 'missionary' of the Party.¹² According to the National Rural Revitalisation Commission, in 2023 more than 400,000 first party secretaries and supporting work team personnel were deployed across 26 provinces.¹³ The first secretary is typically supported by a work team 工作队, a mechanism the Party uses to support the rapid adoption of major policy initiatives, which means that millions more public sector employees are being rotated into China's villages to forge ahead with the Party-led rural revitalisation agenda.



Rural revitalisation calls for innovation and entrepreneurship in agriculture and agribusiness

Source: qi xna, Unsplash

By putting the Party back in charge, the Xi administration's approach to governing the countryside is consistent with the Party's wider recentralising agenda. In the countryside, however, it represents a break with four decades of rural governance in which self-governing village committees and directly elected village leaders played a lead decision-making role in village affairs. While party secretaries remained a strong presence in some villages where they were known as the 'first hand' 一把手, the Party's influence was otherwise much diminished in the post-collective countryside.¹⁴

In reasserting its authority in China's villages, the Party has created new risks and challenges for itself. For one, it will not be able to shift blame for policy failures to village leaders or village committees since party representatives now control those positions. Although the Party has criticised corruption and cronyism by elected village leaders, it is not clear

how village party leaders, working in the same social and cultural milieu and under similar pressures and constraints, will be immune to such behaviour.¹⁵ Second, the costs of grassroots party building are staggeringly high: just the salaries of 400,000 deployed party functionaries in 2023 alone would cost an estimated 24 billion yuan (US\$3.4 billion) before costs of deployment and administration.¹⁶ Millions of first secretaries and work team members have been mobilised to strengthen the Party's grassroots capacity to lead the rural revitalisation agenda, but effective capacity-building will take years and the costs of deployment will place an increasing strain on fiscal resources, especially if China's economy continues to fall short of expectations, as it did through much of 2023. The strain is felt most acutely by local governments that are heavily indebted and unable to raise new revenue through land sales as they did in the past (see 'China's Local Government Debt', page 35).¹⁷

Most importantly, rural revitalisation calls for innovation and entrepreneurship in agriculture and agribusiness. The last time the Party inspired such innovation in the countryside was in the 1980s when it disbanded the communes and got out of farmers' way. Rural China then took off and kickstarted the Chinese economic growth miracle.¹⁸ It is not clear how a centralised approach to governing the countryside will encourage private investment and cultivate innovation in rural business and technology. If the Party continues with the top-down grant-making schemes that were rolled out for previous rural campaigns, farmers will absorb the funds, but it will not necessarily generate sustainable new initiatives.¹⁹

In imagining China as an agricultural superpower, Xi Jinping and the party leadership have dared to dream big. But in sending the party in to take charge, they have followed a playbook that has become standard since Xi came to power. Whatever the political or policy problem—the Party organisation will fix it. To guide party functionaries in their work, in October 2023 the Party Publicity (formerly Propaganda) Bureau released yet another book of quotations by Xi Jinping. Titled *Extracts from Xi Jinping's Discourses on Grassroots Governance*, the book highlights the importance of party intervention to 'improve the system of governance in the countryside'.

With the Party in charge, the success of China's ambitious rural revitalisation campaign will likely mirror the success of the country's wider economic policies, over which the Party is asserting increasingly centralised control. It begs the same question that we might ask of the economy more broadly as China emerges from the ravages caused by COVID-19-related restrictions: can a centralised and tightly controlled political system provide the conditions necessary for a leap to high incomes and advanced economic development?

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