

A Study on the Effectiveness of Business Environment Policy Implementation in Mudanjiang City, Heilongjiang Province: Taking the Reform of “Management and Service” as an Example

Zihang Liu^{1,a,*}

¹*School of Public Administration, Zhejiang Gongshang University, Hangzhou City, Zhejiang Province, 310018, China*

a. 2020100504@pop.zjgsu.edu.cn

**corresponding author*

Abstract: In recent years, the poor business environment in Northeast China has become a key factor restricting the region's economic development. Since the 18th National Congress of the Communist Party of China (CPC), in order to deepen the reform of administrative system and promote the transformation of government functions, China has pushed forward the reform of “releasing management and providing services”, which has optimised the local business environment to a certain extent. However, in some areas of Northeast China, such as Mudanjiang City, Heilongjiang Province, the reform of “release of management and service” to improve the business environment is not obvious. This paper analyses the effectiveness of the implementation of relevant policies to optimize the business environment in Mudanjiang City, summarizes the relevant reasons and puts forward recommendations, namely, from the deepening of the style of the organs to rectify the situation, the implementation of policies and measures, improve the business environment, and improve the business environment. This paper analyses the effectiveness of policy implementation from three aspects, i.e. deepening organ style rectification, comprehensive implementation of policies and measures, and perfecting enterprise landing environment, and seeks to improve the poor business environment in the northeast region from the policy area and achieve economic revitalisation.

Keywords: policy implementation, effectiveness, business environment, reform of the “administrative reform”

1. Introduction

As an important old industrial base of the country, Heilongjiang is also Chinese core heavy industrial base at this stage, and its economic development has been closely watched. In recent years, the economic growth rate of the northeast region is slow, the investment and business level is low, the industry even has “investment but the Shanhaiguan” evaluation [1].

One of the main reasons for the slow economic development in Heilongjiang Province is the poor business environment, which can be divided into governmental environment, market environment, rule of law and humanistic environment and so on according to different perspectives. How to

optimise the business environment and narrow the gap with economically developed regions has become a key research area. The report of the 20th Party Congress emphasises the need to deepen the reform of simplifying government, delegating authority, combining management and optimising services. Government improves the basic system of market economy, such as the protection of property rights, market access, fair competition, social credit, etc., and optimise the business environment. This is a new requirement for the business environment.

For the optimisation of the business environment in Heilongjiang Province, scholars have already studied from the rule of law guarantee pathway and established a city and county business legal environment evaluation index system, and in 2019, Heilongjiang Province even introduced the Regulations on Optimising the Business Environment in Heilongjiang Province, which deeply improved the construction of the business environment at the level of the rule of law environment [1]. In terms of the market environment and the humanistic environment, some scholars believe that the optimisation of the business environment in Heilongjiang Province can draw on other In terms of market environment and humanistic environment, some scholars believe that the optimisation of business environment in Heilongjiang Province can learn from the successful cases in other regions and explore a business development model suitable for the Northeast region; in terms of governmental environment, local departments all over the country have fully implemented the “release of power, management and service” policy deployed by the Central Committee of the Communist Party of China (CPC), i.e., reforms are carried out in the areas of simplification, decentralization, release of management, and optimization of services, and the reform of the administrative examination and approval system has been deepened in an attempt to realise the process of Reinvention [2]. However, the feasibility and effectiveness of a series of policies in Heilongjiang Province have yet to be studied. Specifically, Mudanjiang City still has a cumbersome and inefficient administrative approval process, and a poor living environment for enterprises after landing. Most of the existing research is to optimise the business environment in the northeast region to put forward countermeasures and suggestions, the root causes of the implementation of policies in Mudanjiang City and even the northeast region of the lack of obvious analysis. This paper uses a literature analysis. This paper aims to study the reasons for the ineffectiveness of the corresponding policies in Mudanjiang City, and summarise the focus of policy implementation in order to improve policy implementation and promote the optimisation of the local business environment. At the same time, by ensuring the effectiveness of policy implementation, this paper seeks to improve the poor business environment in Mudanjiang City from the policy area, and ultimately achieve the economic revitalisation of Mudanjiang City and the Northeast region. This paper provides a policy assessment of the “release of administrative services” reform, which will help to further improve the implementation of the policy in Mudanjiang City and even in the Northeast region, and will be a reference for China’s future policy formulation, policy implementation, and policy assessment.

2. Reasons for the Ineffectiveness of the Implementation of Mudanjiang City’s “Release of Administrative Services” Policy

Since the 18th CPC National Congress, Chinese government attaches great importance to optimising the business environment, and all relevant departments around the China continue to promote the reform of “release of administrative services”, accelerate the transformation of government functions, and help high-quality development. All over China, reforms to simplify and decentralise government have been deepened. Government agencies have drastically reduced the number of administrative approvals and other matters, while at the same time drastically reducing taxes and lowering fees. Departments have begun to implement reforms of the business system and to improve the institutional mechanisms for market supervision. They have also transformed the online delivery of government services into a more convenient mode. This series of reform initiatives has strongly stimulated the

vitality of all types of market players. It is worth analysing that at this stage, the “release of administrative services” reform and a series of related measures to improve the business environment in Mudanjiang City is not obvious, at this stage, Mudanjiang City, mainly from four aspects of the implementation of the business environment planning: to create an open and orderly market environment; to create an efficient and convenient government environment; to create a fair and just environment under the rule of law; and to create a strong cultural atmosphere for doing business. The reasons for the lack of results of this reform in Mudanjiang can be summarised as follows.

2.1. Old-Fashioned Administrative Model

The rigidity of the policy implementation system in the Northeast region makes it difficult to implement policy reforms in depth. There is some solidified awareness within the government system in the Northeast, and the rectification of the style of deployment needs to be improved. In Heilongjiang Province, for example, Mudanjiang City, economic revitalisation and development, optimising the environment is important. The rule of law-based environment is most conducive to development by gathering people and money. Some leading cadres in dealing with the rule of law, economic construction and other complex issues, often take the inappropriate behaviour of setting up problems and fixing things, rather than in accordance with the law, administration, according to the law; some localities and units of the new officials do not care about the old accounts, and arbitrarily change the planning, change the policy [3]. Therefore, the current stage of the government system in the Northeast region within the existence of curing ideas, not according to the rules and regulations, but arbitrary “to fix it”, government officials think heavy, service consciousness is not in place. This situation has led to the implementation of business environment policy reforms are not in place, and very often the enterprise cannot carry out the work is not to look at the enterprise’s own conditions, but with the relationship between some officials are close. Inadequate government credit system, the repeated occurrence of breach of trust has led to tensions in the relationship between the government and business. It can be seen that Mudanjiang Municipal Government style rectification work cannot be delayed.

2.2. Low Level of Implementation of Reforms

Inadequate implementation of measures to reform the administrative vetting and approval system in Mudanjiang City. The poor business environment in Mudanjiang City is largely due to the inefficiency of the local government administrative approval process is cumbersome. Although the central reform measures have been introduced for a long time, cancelling many unnecessary management links in the administrative approval, there are still many factors hindering the implementation of the policy. For example: the reform policy is not in place between the local government to convey, many county departments are still in accordance with the original provisions of the work; in some reform matters, many of the delegated approval matters and the corresponding supporting measures do not match, just have a sense of reform, but did not make the actual reform of the action; in some areas, although a series of documents to promote the simplification and decentralisation of power, but the local government did not make the actual action, seems to be rectified many Administrative approval process, in fact, the original process planning to other approval process, the efficiency is still low [4]. As a result of this phenomenon, the cycle of the declaration and approval process for enterprises is still lengthy, it is difficult to support and safeguard the development of enterprises, and the business environment is still not optimised and improved [5].

2.3. Poor Environment for Business Survival

The source of enterprises in Mudanjiang City mainly relies on government departments to attract investments, and the government often provides enterprises with many favourable policies and financial guarantees at the time of investment, which attracts many foreign enterprises to invest in the city. However, the level of government support and guarantee for enterprises has been drastically reduced after foreign enterprises have landed in Mudanjiang, and many enterprises have gone bankrupt and closed down after landing in the city due to the lack of human resources and high labour costs without government assistance [6]. The government often adopts a laissez-faire attitude after the landing of the enterprise so that the mechanism is not sound economic market financing capacity declined again, into a vicious circle of investment difficulties [7].

3. Suggestions

3.1. Deepen the Organ Style Rectification, Build the Overall Pattern of Style Optimisation

Mudanjiang government agencies should abandon the inherent sense of deepening the organ style rectification. Government departments should adhere to the problem-oriented, goal-oriented, results-oriented, and resolutely abandon formalism, bureaucracy, lack of ability, “swinging”, “get it done” and other bad style. Cadres of party and government organs must work strictly in accordance with the statute, administration and law. Municipal government should also establish and improve the regular supervision and accountability system, always on the corrupt style, destroy the environment of the cadres and behaviour of zero tolerance, true, strong remediation of malpractice, supervise the cadres at all levels to change the style of excellent environment. At the same time, government agencies should abandon the old ideas, actively welcome new things, to put an end to the closed old ideas, to carry out the construction of the business environment in the new era. As a result, the efficiency of government departments will increase substantially, the credibility of government organs will rise significantly, enterprises will be more willing to operate in the city and the business environment will be improved.

3.2. Comprehensively Promoting the Implementation of the “Release of Administrative Services” Reform Measures and Implementation

Local governments in the implementation of the central “release of services” reform should be implemented from specific measures, realistic, sincere for the people to simplify the process, improve efficiency. In the future, the northeastern region can improve the effectiveness of policy implementation through the following programmes.

3.2.1. Change from “Tandem” to “Parallel” Approval Process

In the face of a series of administrative approval processes, the administrative authorities should rationally plan for the change from a series of processes to a parallel process so as to achieve synchronisation of the various administrative approval processes. Approval departments also need to cancel part of the unnecessary procedures. This can greatly improve the efficiency of administrative approval further to achieve administrative approval process re-engineering. The work of enterprises will also become more convenient due to the shortening of the approval process [8]. The reform from “tandem” to “parallel” is conducive to the creation of an efficient development model for enterprises, thus promoting the business development of Mudanjiang City.

3.2.2. Deficiency-Tolerant Approval

In the face of a series of administrative approvals for enterprises and the general public, the government departments of Mudanjiang City can reasonably increase the strength of tolerance approval. The meaning of tolerance approval is that for the lack of non-essential procedures or materials, the approval department can pass the review in advance [9]. The original material is not complete cannot do the approval of the predicament into the acceptance of the side to improve the material of the synchronous mode of progress. This measure can also greatly improve the efficiency of the approval and thus promote the good development of enterprises.

3.3. Improve the Enterprise Landing Environment

The government should actively take measures to optimise the enterprise landing environment, to provide better services and support for enterprises; the government should strengthen the technical research and development of enterprises and innovation support, to provide technical services and professional training for enterprises, to improve the innovation ability of enterprises; the government should also promote the cultivation and introduction of talents, to provide various types of human resources for enterprises. In addition, the government should take measures to reduce the tax burden and rental costs of enterprises, encourage them to invest and expand their production scale, increase employment opportunities, and improve their competitiveness and profitability [10]. Creating a favourable environment for enterprises to land can promote their sustainable development in order to create a favourable business environment. Such measures actually protect the enterprise and give it the ability to weather crisis events in the event of a development crisis. This also prevents the bankruptcy of the enterprise.

4. Conclusion

Through the case study of the business environment “release management and service” policy reform in Mudanjiang City, Heilongjiang Province, this paper concludes that the policy implementation of the business environment in Mudanjiang City needs to focus on the effectiveness of the policy implementation, i.e., whether the policy can be properly implemented in the region, and whether the effect of the policy implementation is in line with the expectations. The root causes of the poor optimisation of the business environment in Mudanjiang City are the rigidity of the policy implementation system, the lack of implementation of reform measures of the administrative approval system, and the poor environment for the survival of enterprises. This paper also puts forward some suggestions for the ineffective implementation of business environment policies in Mudanjiang City. Suggestions include firstly, deepen the organ style rectification, secondly, comprehensively promote the implementation and execution of the reform measures of “release management and service”, not just on paper, and lastly, improve the enterprise landing environment so that the enterprise can be sustainable development.

Through the conclusion of further extended analysis, it can be argued that Mudanjiang City business environment policy reform is not an isolated case, and that the implementation of basic policies in other regions of China need to be combined with the effectiveness of policy implementation, and reasonably plan out the specific measures and steps of policy implementation. This paper has limitations in the direction of optimising the business environment. This paper only puts forward suggestions for optimisation in the policy area, however, the business environment also includes the rule of law level, the social level and many other areas. Future research should focus on analysing how to optimise the business environment from multiple perspectives.

References

- [1] Gong, P.Q. (2020) *The Rule of Law Connotation and Optimisation Path of Business Environment - Taking <Regulations on Optimising Business Environment in Heilongjiang Province> as a Reference*. Journal of Harbin University of Commerce (Social Science Edition), 4.
- [2] Bao, J., Zhang, D.A. (2019) *Deepening the Reform of "Release Management and Service" and Building a Service-oriented Government Satisfied by the People*. China Administration, 3.
- [3] En, B., Wang, S.R. (2020) *Promoting the Optimisation of the Business Environment in Longjiang with the System - Studying the Spirit of the 12th Sixth Plenary Session of the Heilongjiang Provincial Party Committee*. Research on Ideological and Political Education.
- [4] Zhang, D.A. (2014) *Countermeasures and Suggestions for Comprehensively Promoting Local Government's Decentralisation and Reform of Administrative Approval System*. China Administration, 8.
- [5] Liu, G.L., Xiong, G.Q. (2020) *Process Re-engineering of Administrative Approval in the Internet Era - Taking the Reform of "One-Door" Administrative Service in Chancheng District, Foshan City, Guangdong Province as an Example*. Journal of Jiangsu Administrative College, 1.
- [6] Sun, F., Wei, S.Y. (2017) *Assessment and Optimisation Countermeasures of Investment Business Environment in Northeast China*. Changbai Journal, 6.
- [7] Wu, J.Z. (2017) *Revitalisation of Northeast China Should Start from Optimising the Business Environment*. Economic Zonghengheng, 1.
- [8] Liao, F.C. (2021) *Research on the Policy Innovation of "Release Management and Service" Reform: the Policy Logic of Pilot-Promotion*. Jinan Journal.
- [9] Shen, R.H. (2017) *The Effectiveness, Characteristics and Direction of China's Reform of "Release Management and Service" since the 18th National Congress*. Administrative Reform, 9.
- [10] Da, Z., Guo, Y.X., Kun, W. (2011) *Reflections on the Introduction of Overseas High-level Talents under the Perspective of 'Stronger Province of Higher Education' - Taking Heilongjiang Province as an Example*. Heilongjiang Higher Education Research, 7.