

Original Paper

Research on Villager Autonomy and the Entrance of New Villager Sages from the Perspective of “Principal-agent” Theory

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Abstract

From the perspective of “principal-agent” theory, this paper discusses the interaction between Chinese villager autonomy and the entrance of new villager sages, analyzes the goal state and deviation of villager autonomy system, and the dilemma of identity, information and interest asymmetry faced by new villager sages in the process of entry. In order to provide new ideas for the study of rural governance, this paper puts forward optimization paths such as promoting the integration of local identity of new villagers, perfecting the mechanism of new villagers’ participation in rural governance, creating a benign social atmosphere, and improving the ability of village cadres to play a key role.

Keywords

entrusted agent, villagers’ self-governance, new villager, rural revitalization

1. Question Raising

At present, the basic mode of rural governance in China is “village governance”, which takes “village committee” as the organizational carrier to provide a platform for cultivating the community spirit of rural communities and farmers’ democratic ability. With the deepening of China’s rural reform, villager autonomy has become an important part of rural governance. Villager autonomy is a way for villagers to realize village governance through self-organization and management. The principal-agent relationship plays an important role in villager autonomy. The villagers delegate some of their power to the representatives, who exercise their power under the authorization of the villagers. This “principal-agent” relationship not only guarantees the basic rights and interests of villagers, but also ensures the smooth progress of village governance. However, there are some deficiencies in dealing with the challenges brought by the great changes in the economic and social environment, especially in the suspension of state power in rural society after the tax and fee reform. This leads to the gradual weakening of the authority of rural resource integration ability, which is mainly manifested in the loss of rural backbone

represented by young and middle-aged people, the decline of rural traditional culture, the gradual departure of villages from the control of administrative power represented by towns, and even the phenomenon of hollow villages. With the outflow of a large number of rural labor force and talents, the villagers' personalized consciousness is enhanced, and the rural society lacks effective governance subjects. It has become the mainstream trend to take the new village sage as the new governance force to realize the good governance of the countryside and promote the revitalization of the countryside. The participation of new villagers can inject effective vitality into rural revitalization and become an important synergistic force.

Many Chinese scholars have studied the connotation, function and realistic dilemma of the new villager. In terms of connotation, some scholars believe that the new township sages are the elite groups of the grassroots society, and they can help realize the benign governance of the countryside with their own accumulated resources. Some scholars believe that the new villagers are social forces with a certain moral, cultural, and rural complex that can be organized for rural development, and people who voluntarily contribute to rural society, including learned and experienced people in the whole society. From the perspective of the grass-roots united front, some scholars believe that the new township sages can promote grassroots democratic consultation and social cohesion by virtue of their own mobilization and appeal, and is the adhesive of the grass-roots united front. From the perspective of moral education, some scholars believe that new township sages, with their noble moral qualities, can take the lead in creating a good atmosphere in rural society, which is conducive to promoting the popularization and inheritance of socialist core values in rural society. From the perspective of maintaining rural stability, some scholars point out that the new township sages can play a huge role in resolving rural conflicts by virtue of their authoritative status recognized by the villages, which is the guarantee for promoting rural social stability and improving the efficiency of rural governance. In terms of practical dilemmas, some scholars believe that in the process of participating in rural construction, new villagers are easy to be excluded due to the lack of a mature mechanism guarantee, thus losing their enthusiasm and motivation for work. Some scholars pointed out that due to the imperfection of the incentive and supervision system, the new township sages were easily restricted by factors such as bias, environment, organizational compliance and realistic risks when participating in the governance of rural public affairs, and their effectiveness could not be fully brought into play. Some scholars also believe that the top-down mobilization of public opinion and the passive response attracted by policies have led to the lack of endogenous motivation in the process of their return to their hometown. It can be seen that most of the existing studies focus on the governance mechanism and governance behavior of the new villager at the unilateral subject level, and rarely discuss the interaction between rural autonomy and the entry of the new villager from the perspective of "principal-agent".

The new villagers are a special group. They inherited the tradition of the gentry in the traditional society to provide public services by using the endogenous power of the people, but they were different from the

gentry in the aspects of service background, cultural ideas and authority sources. The sources of authority of the new villagers are more diversified, which can come from economic capital, political capital, cultural capital or social capital. In order to gain authority legitimacy in the rural sphere, they provide public services, activate the assets of government, market and social actors, and promote positive externalities in the countryside by introducing urban and rural attributes of individual assets, thus gaining widespread recognition among the local population. In the process of villager self-governance, the admission of new villager has been paid more and more attention. How to accurately recognize and understand the new village-sages, make them effectively embed in rural governance, and realize the integration of the value of new village-sages and the goal of rural autonomy is an important topic of rural governance research.

2. “Principal-agent” Theory and Its Applicability

2.1 “Principal-agent” Theory

The principal-agent theory was put forward to solve the problem of information asymmetry in the field of economics, and was later used to solve the problem of how to motivate agents. Subsequently, the theory began to be applied to a wider range of research fields, such as sociology, management, political science and so on. The theory holds that the principal-agent relationship is a universal contractual relationship in society. A principal-agent relationship is one in which one party entrusts the other party to exercise rights on its behalf. But in practical application, there are some problems in the principal-agent management relationship. From the perspective of the principal, they often worry about the principal-agent relationship under multiple tasks, including whether the agent takes the work seriously, whether the work is distributed reasonably, and whether the entrusted work can be completed smoothly. From the agent’s point of view, they are susceptible to the influence of their surroundings, increasing the likelihood of working for their own benefit. On the one hand, there is information asymmetry between the principal and the agent, and the agent has more information; On the other hand, both the principal and the agent have the attribute of economic man and want to maximize their own interests. Finally, there may be situations where the goals of the principal and the agent are not aligned. In order to solve these problems, economists believe that the agent cost of the principal can be reduced by establishing and optimizing the incentive and constraint mechanism. Once this mechanism is in place, the principal can communicate a clear, binding message to the agent, and the agent will realize that the utility of hard work will be higher than no hard work, thus increasing the likelihood of hard work. For multi-task principal-agent problem, we can increase the incentive of a certain task, so as to improve the agent’s attention and energy to the task. In short, principal-agent relationship exists widely in the organization, the principal can reduce the occurrence of problems by increasing incentives and constraints, and maintain a good interactive relationship between the principal and agent.

2.2 Analysis of Theoretical Applicability

The government encourages new villagers to participate in the process of rural governance involving the principal-agent relationship in villager autonomy. The new villagers are recommended by the state, society and villagers, and they need to complete and undertake the work entrusted by the grassroots government and village committees. They have both internal authority and the nature of state agents. To be specific, this relationship is manifested in two aspects: first, the principal-agent relationship between the grass-roots government and the new township sages. Under the village-level governance model, grass-roots governments are more responsible for guiding and supervising rural affairs. However, the model of villager autonomy also has some unstable factors, such as the low knowledge level of the village committee and the poor understanding ability of the villagers, so rural professionals are needed to assist the local government to complete the work. At this time, the local government formed a potential contractual relationship with the new township sages, that is, the new township sages and their related groups need to follow the above contract and participate in the rural governance under the guidance of the local government. The second is the principal-agent relationship between the village committee and the new villager. Village committees, as the actual holders of rural power, manage rural affairs. However, it is clear that the capacity and energy of the village committee is limited, and the new villager is the think tank and assistant of the village committee. The village committee can delegate part of the work to the new villager, making full use of the inherent authority and rich knowledge reserve of the new villager. For example, resolving rural disputes and implementing local government policy documents. In short, in the process of participating in rural governance, the principal-agent relationship is permeable.

3. Target State and Deviation of Villagers' Autonomy

Villager autonomy is a self-governing system in which the rural grassroots manage their own village affairs independently according to law. It is also the dominant mode of rural governance in China after the reform and opening up. Under this system, villagers can participate in democratic elections, democratic decision-making, management and supervision of village public affairs. As the representative of the state administrative power at the grassroots level, the township government should help and supervise the development of the villagers' self-government system, and should not directly interfere. In the ideal state of villager autonomy, village cadres are the only agents for villagers to manage their own village affairs, and the township government and villagers hope that village cadres can really play a role, organize and manage village affairs well, and serve the fundamental interests of the villagers, which is the goal state of the villager autonomy system.

However, since the implementation of the villagers' self-government system in 1988, the target state has not really been achieved. The main reason lies in the excessive intervention of the township government to the villagers' autonomy. This excessive intervention is manifested in: on the one hand, the township government controls the village cadres because of the assessment system of the superior government,

intervenes deeply in the villagers' autonomy, and strengthens the "guiding" role; On the other hand, because the income and promotion opportunities of township and village cadres depend on the performance of economic development, there is a "collusion" mode between township government and village cadres. The township government has public power and is in a strong position relative to the peasants. Therefore, township governments and collusive village cadres "grab" the collective interests of villages and villagers, leading to deviations in the implementation of the villagers' self-governance system.

When village cadres collude with powerful township governments, the collective interests of farmers are inevitably ignored. A conflict arose between the tasks given to village cadres by the government and those given to them by villagers. Faced with two kinds of entrustment, the village cadres will naturally choose to complete the entrustment of the township government first, while ignoring or selectively completing the entrustment of the villagers. Even some village cadres take advantage of the situation, or collude with the township government, or violate the interests of villagers, so that the burden of farmers is increased. In this case, villagers' autonomy is more of a formal sense, under the control of the government, and does not have independent autonomy in the true sense, so its governance effectiveness is also low.

In addition, although there is sufficient legal basis for villagers as the main body of villagers' autonomy, there are certain limitations in the actual exercise of villagers' autonomy. First, the level of education is low. The low level of culture is an important limitation of villagers as the subject of autonomous power, which is mainly manifested in the level of cultural knowledge and cultural accomplishment of villagers. In many rural areas, the villagers' cultural knowledge level is relatively low, and they lack basic reading, writing and calculation skills, which brings great difficulties for villagers to participate in autonomous activities, make autonomous plans and carry out autonomous work. In addition, the villagers' cultural literacy is relatively low, and they rarely have access to a wide range of cultural knowledge and information, which leads to certain limitations in their knowledge and understanding of autonomous activities. Second, the sense of democracy is weak. The lack of democratic consciousness is another important limitation of villagers as the subject of autonomous power, which is mainly manifested in villagers' democratic consciousness, civic consciousness and legal consciousness. In many rural areas, villagers lack a sense of democracy, do not understand the basic concepts and processes of democratic management, and their understanding of and participation in self-government activities is relatively low. In addition, villagers have a relatively low sense of citizenship, rarely understand their rights and obligations, and are unable to effectively safeguard their legitimate rights and interests, which brings great difficulties to the development and implementation of autonomous activities. Third, the organizational ability is weak, mainly manifested in the villagers' organization and coordination ability, management ability and execution ability. In many rural areas, the villagers' ability of organizing and coordinating is relatively weak, so it is difficult to organize and coordinate large-scale self-government

activities effectively, and there are certain difficulties in regulating and supervising self-government work. In addition, the villagers' management ability is relatively weak, it is difficult to effectively manage and maintain the order and efficiency of autonomous activities, and there are certain limitations in the formulation and implementation of autonomous planning. In addition, the villagers' execution ability is relatively weak, it is difficult to effectively implement the decision-making and planning of autonomous activities, and there are certain difficulties in the promotion and effect of autonomous work.

4. The Dilemma of Entering the Village Faced by the New Villagers

The new township sages are usually economic talents, sages, rich in knowledge resources and strong interpersonal skills, with excellent qualities such as national spirit, social feelings and noble personal morality, but most of them are elites outside the village. In the process of villager autonomy, the new villager sages are faced with the dilemma of asymmetric identity, information and interests.

4.1 Identity Asymmetry in the Dual Proxy State

The new villager is not only the agent of the government, but also the agent of the villagers. As the agent of the state and the government, the new township sages participate in the rural governance, forming the principal-agent relationship between the state and the new township Sages. After the new township sages entered the rural society, there was a principal-agent relationship between the new township sages and the rural residents, and the new township sages also had the identity of the rural residents' agent. The dual agent status of the new villager will lead to the problem of identity asymmetry. The new villager is the agent of the government as well as the agent of the rural residents. This dual identity has two aspects of influence on the participation of the new township sages in rural governance. On the one hand, the villagers think that the new villager is an agent of the government, not their own agent, which makes it difficult for the new villager to integrate into rural society. On the other hand, the status of "outsider" can supervise and restrict the behavior of village cadres, clan forces and rural villains, and can also restrict the influence of village cadres and clan forces on rural governance from the side.

4.2 Information Asymmetry in Long-term Absence

Information asymmetry arises from the shift from "not present" to "present". The long-term isolation of time and space and the limitation of communication make it difficult for the new villagers who "leave the circle" to break the trust barrier caused by human nature in a short time, even if they have the title of "returning people". Whether the new villagers look at the villagers group or the villagers look at the new villagers individuals, this invisible information cognition gap can not be eliminated immediately. Information asymmetry will affect the communication and trust between the new villagers and rural residents, and villagers do not know the situation and ability of the new villagers, resulting in weak trust in the new villagers. This spatial separation makes rural residents do not know what kind of skills the new villagers have, what kind of moral level, how to get rich. On the one hand, it is difficult for rural residents to open their hearts and communicate effectively with the new villagers, which affects the

formation of harmonious relations between the two sides. On the other hand, the villagers are not willing to let the new villagers master the resources and power, which forms the resistance of the new villagers to participate in rural governance. In addition, the new villagers have incomplete information about rural society and villagers, which weakens their ability to govern.

4.3 Asymmetry of Interests under Trust Crisis

Interest asymmetry is the result of the intensification of trust crisis under the catalysis of identity asymmetry and information asymmetry, which brings the contradiction and opposition between them. This contradiction stems from the villagers' questioning of the behavior motives driven by the new village-sages' policies. Although the new villager carried out rural construction for the purpose of increasing the rural collective welfare, this behavior was easily mistaken by villagers as speculative behavior, and thus was rejected and contradicted. The asymmetry of interests is one of the main reasons why it is difficult for new villagers to participate in rural governance. The emergence of new rural sages is mainly driven by government policies, and the increase of public interests in rural society under the leadership of government is naturally an important reason for new rural sages to participate in rural governance. Increasing public interest and improving social welfare also meet the needs of rural residents. However, the asymmetry of interests is mainly reflected in private interests. In many cases, the new villager's participation in village governance also involves the pursuit of personal interests, and villagers always have the idea that their interests are more or less occupied by outsiders. Therefore, interest asymmetry can be said to be the comprehensive influence and result of identity asymmetry and information asymmetry.

5. Explore the Entrance of New Villagers

Many factors, such as identity, information and interests, affect the two-way interaction between the new village sages and the rural society. Promoting governance subjects with different value judgments, views and ideologies to form a sense of community in the field of rural governance is the key to the good operation of the rural governance system, and it is also an important link for stakeholders to move from game to cooperation.

5.1 Promote the Integration of Local Identity of New Villagers

The villagers' rejection or wait-and-see to the new villager is a kind of explicit psychological risk perception, which largely comes from the "outsider" identity of the new villager. In this case, identity conversion becomes the most direct means to eliminate the risk perception of the rural society to the new villager and reduce the information asymmetry and interest asymmetry between the two sides. Therefore, the new village sages should actively integrate into the rural society to enhance the villagers' identity. On the one hand, a contact platform can be established. The contact platform can be an online or offline contact platform. The platform needs to provide the basic information of the new villagers, including name, occupation, professional field, contact information, etc., and also needs to provide the contact

information of the village committee and village cadres, so that the new villagers can communicate with them. The platform needs to provide the latest information on village dynamics and needs, so that new villagers can understand local conditions and needs, so as to better participate in village governance. On the other hand, we should strengthen the communication between the new villagers and the village committee and the village cadres. Through communication, the village committee and village cadres can introduce the local situation and needs to the new villagers, and at the same time, they can understand the profession and interest of the new villagers, providing more opportunities for the new villagers to participate. At the same time, exchanges can also allow new villagers to better understand the local rural governance mechanism and planning, so as to better integrate into the local social system. By organizing special lectures and inviting new villagers to report back to their hometown, they can understand the local needs and planning, and improve their willingness and enthusiasm to participate.

5.2 Further Improve the System and Mechanism of New Villager for Rural Governance

The participation of new villagers in rural governance is an important mechanism and means of social governance. Therefore, the government should play an important guiding and regulating role in the process of the new villagers' participation in rural governance to ensure that the new villagers' participation in rural governance is orderly. The government should design a set of complete governance system for the participation of new villagers from the systematic perspective of rural governance. It is possible to establish the expert database of new villager, classify and integrate the professional knowledge and skills of new villager, and facilitate the village committee, village cadres and residents to quickly find professionals when they need them. Special training and exchange activities can also be carried out to improve the professional level and skills of the new villagers, so that they can better participate in rural governance. In addition, it is necessary to establish a long-term mechanism for new villagers to participate in rural governance and clarify their rights and responsibilities. It is possible to formulate specific mechanisms and regulations for new villagers to participate in rural governance, and clarify the scope, ways and requirements of new villagers to participate in rural governance, so that new villagers can better integrate into rural governance. At the same time, it is necessary to strengthen the trial-and-error tolerance mechanism for new village heads to participate in rural governance. In the short term, it is difficult for the new villager and rural society to achieve a unified pace, but it is necessary to give the new villager the time and opportunity to fully integrate into rural society, so that they have the opportunity to show their talents. Therefore, it is necessary to give them tolerance and understanding, correct and help their mistakes in time, and provide strong support for new villagers to participate in rural governance.

5.3 Create a Good Social Atmosphere and Give Play to the Core Role of Village Cadres

The participation of new villagers in rural governance is a two-way interactive process. In addition to the improvement from the perspective of the government and the new villagers, there is also a need to enhance the inclusiveness and openness of rural society to lay a good foundation for the participation of the new villagers. Through publicity and education, we can create a good social atmosphere, establish the image of new villagers, and enhance the awareness and enthusiasm of new villagers to participate in rural governance. Through holding rural cultural activities to publicize the advanced deeds of the new township sages, the new township sages can better integrate into the local social system. Village cadres are the backbone of rural governance, should play a key role in this process, need to have a certain professional level and management ability, so it is necessary to further strengthen the training of village cadres, improve the professional level and management ability of village cadres, improve the sense of responsibility and mission of village cadres, to provide strong support for rural governance. Village cadres should make villagers realize that the new villagers can bring high-quality resources to rural development, break the restrictive boundary between the village and the outside world, and promote rural modernization. In addition, it is also necessary to build rural communities, including the government, village cadres, villagers and new villagers, to promote the consistency of interests and information of all parties, and truly promote the sustainable development of rural society.

6. Discussion and Conclusion

To sum up, the participation of new villagers in rural governance has become the mainstream trend to promote rural revitalization, but they are faced with the dilemma of asymmetric identity, information and interests. In order to solve these problems, we need to start from the three aspects of government, new villager and villager autonomy, and promote the two-way interaction between new villager and rural society and the formation of community consciousness. The government should strengthen the guidance and regulation of new villagers' participation in rural governance, establish a complete governance system and long-term mechanism, and give new villagers the opportunity and support to try and tolerate mistakes. The new villagers should actively integrate into the rural society, enhance the villagers' identity, strengthen the communication with the village committee and the village cadres, and improve their professional level and skills. In terms of villagers' self-governance, it is necessary to strengthen the popularization of democratic consciousness, civic consciousness and legal consciousness, improve organizational ability, management ability and execution ability, and create a good social atmosphere. Through the joint efforts of all parties, the process of rural revitalization will be promoted.

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