

# Reform of Government Institutions and Improvement of Governance Capabilities

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**Abstract.** In the 40 years of reform and opening up, China has carried out eight large-scale government restructuring. It is found that the reform is effective and can adapt to the needs of economic and social development, and move towards the direction of simplification, systematization, specialization, service and internationalization. In particular, the reform of government institutions in 2018 will be more comprehensive, specific, targeted and scientific, which is an inevitable choice to improve the governance capacities of the Chinese government and promote the modernization of the country's governance system and capacity.

**Keywords:** Government function; Reform of government institutions; Ruling ability.

### 1. The Need for Reform of Government Institutions

# 1.1 The Reform of Government Institutions is an Inevitable Requirement for Strengthening the Party's Governance Capability

Reform is the source of progress and institutional reform is the inevitable requirement of The Times. Socialism with Chinese characteristics has entered a new era, and the principal social contradiction in China has been transformed into one between the people's ever-growing need for a better life and unbalanced and inadequate development. The changes in social contradictions require our party to integrate its strength, improve its ability to govern, raise the people's happiness index, and promote better economic and social development. National development in the new era, the original organization configuration already cannot adapt to the demands of the development of a new era, because some areas there is a similar nature of work, the efficiency is not high, the function of positioning are not allowed to be problems, especially in key areas such as ecology, environmental protection, food security is prominent contradictions, so scientific positioning functions of government institutions, with more explicit power and responsibility division, strengthen the organization's ability to and serve the masses, to solve complex problems in reality. The party and state institutions is important carrier of our party's ruling, to strengthen the party's ruling ability construction for a long time, urged by science, set up agencies, the rational allocation of functions, used as a whole, perfecting the system and mechanism, to make the party and state institutions play the advantages of good concentrate resources to accomplish large undertakings, to serve the people better bearing great project, advancing the great cause of the happiness index, realize the historical mission of great dreams.

# 1.2 The Reform of Government Institutions is an Effective Support for Deepening Reform in an All-round Way

Advancing the modernization of national governance system and governance capacity is one of the overall goals of comprehensively deepening reform, and the reasonable setting of government institutions has become an important organizational guarantee for improving national governance capacity. Many areas of comprehensively deepening reform involve the reform of government institutions, such as ecological and environmental protection. Food and drug safety supervision; And key areas, such as medical and health security, are comprehensively deepen the deep-seated problems need to be solved in the process of reform, must to reform government institutions, in order to comprehensively deepen reform goal as guidance, to speed up the reform process, improve the quality



of reform, the reform is more targeted, systemic and effectiveness, and play a supporting role, which is conducive to the overall development of the global.

# 1.3 The Reform of Government Institutions is Necessary for Economic and Social Development

Since China's reform and opening up, through the unremitting efforts of several generations, earth-shaking changes have taken place in our country's economy and society, not only from traditional society to modern society, economy, too, from the planned economy model to market economic model, combined with the background of economic globalization, at present, our country has become the world's second largest economy, growing economic strength and international status is increasing day by day. Party's 19 report not only new era for the development of socialism with Chinese characteristics has made the strategic arrangements, to build a well-off society in an all-round way in 2020, to 2035 the basic realization of socialist modernization, the comprehensive build socialism modernization by the middle of the century power, and to the economy of our country made by high quality development stage of high-speed growth stage of route choice. High-quality development means that we need to transform the growth model and achieve intensive economic growth. We need to focus on raising total factor productivity and bring about qualitative, efficient and dynamic changes in economic development. Therefore, it is necessary for government agencies to make corresponding reforms and remove obstacles to high-quality economic development, so as to meet the needs of epochal economic development.

# 1.4 The Reform of Government Institutions is the Objective Requirement to Improve the Efficiency of Administration and Build a Service-oriented Government

The reform of government institutions is not a simple merger, split and reorganization. For a long time, even though every reform aiming at the transformation government function, but also the transformation of the government functions is not in place, "work hard, with numerous" phenomenon still exists, the government responsibility "offside" or "absence" without reverse, and under the influence of bureaucracy, corruption has not been effectively curbed [1]. Therefore, only by intensifying the reform of administrative management system, setting up scientific institutions and establishing a system with clear responsibilities, and taking the goal of ensuring and improving people's livelihood and improving people's happiness and well-being, can we achieve good social effects and build a service-oriented government that is satisfactory to the people.

### 2. Comprehensively Deepen Reform in 2018

The party and state institutions reform is under the background of new era in the new historical starting point, is to reform and reform one of the largest scale, have been carried out for seven times before that though institutional reform, government function change important progress, institutional setup and personnel management gradually standard, system and mechanism innovation achieved positive results, administrative efficiency improved significantly, but the institutional reform remains: government function change does not reach the designated position, the microscopic economic operation intervention overmuch, social management and public services is still relatively weak; There are many problems that do not meet the requirements of development, such as the overlapping responsibilities of departments, the disjointed powers and responsibilities, the low efficiency, the unreasonable setup of government institutions, and the unsound administrative operation and management system. At present, China has undergone tremendous changes in both urban and rural areas and in the international and domestic environment. From solving the problem of food and clothing for the people to improving people's lives and building a prosperous, strong, democratic and culturally advanced modern socialist country, China's development goals are more comprehensive and specific. This institutional reform is an important measure to adapt to the current economic and social development. Based on the current and also focus on the future, not only for the first one hundred goals facing the outstanding contradictions and problems, from the functions of the party



and state institutions, with the optimization of collaborative efficiency reform institutions, optimizes the allocation of functions, deepen style function, transfer mode, turns, increase the efficiency of the efficiency and actively build system is complete, scientific and standardized, efficient operation system of the party and state institutions function.

This institutional reform is a profound reform to modernize the country's governance system and capacity. First, deepen the reform of the party central committee. All the leadership of the communist party of China is the most essential characteristics of socialism with Chinese characteristics, in deepening the reform of the party central committee institution, optimizing the party's organization, through establishing and perfecting the mechanism of party leading system on major work, give play to the role of the party's functions, combine similar duties of party and government organs to set up the office or offices, to optimize the department responsibilities, such as set up the national supervisory committee, with the central office discipline committee offices, two responsibilities for performance of the disciplinary inspection and supervision. We will establish the central law-based governance committee and the central audit committee. Second, deepen the reform of the institution of the state council, continue to focus on the transformation government function, resolutely remove restricts the market plays a decisive role in the allocation of resources, better play to the role of government institutional shortcomings, around the development of high quality, the construction of modern economic system, to strengthen and improve the government's economic regulation, market supervision, social management and public service, ecological environment protection and other functions, combined with the new era conditions and practical requirements, the institutions from key areas and crucial links function optimization and adjustment, build clear responsibilities, in accordance with the administrative system of government governance, enhance the government credibility and execution, We will accelerate the development of a service-oriented government that satisfies the people.

In the institutional reform, it is mainly the "merger of similar items", integrating the functions previously dispersed in various ministries and commissions. After the reform, the number of departments at the ministerial level of the state council has been reduced by 8, while that at the vice-ministerial level has been reduced by 7. In addition to the general office of the state council, the state council has set up 26 constituent departments. The ministry of natural resources shall be established, and the ministry of land and resources, state oceanic administration and state administration of surveying, mapping and geographic information shall not be retained. Establish the ministry of ecological environment, and no longer retain the ministry of environmental protection; Establish the ministry of agriculture and villages, and no longer retain the ministry of agriculture; The ministry of culture and tourism shall be established, and the ministry of culture and the national tourism administration shall not be retained. To establish the national health and health commission and no longer retain the national health and planning commission; The emergency management department shall be established, and the state administration of work safety shall no longer be retained. To reestablish the ministry of science and technology; The ministry of justice will be reconstituted and the legislative affairs office of the state council will no longer be retained.

Visible, in order to meet the demands of the development of a new era, the institutional reform and management ability of modern national governance system oriented, with the optimization of collaborative efficiency reform more scientific and reasonable and conform to the actual content, targeted, to build a well-off society in an all-round way, open new journey all-round construction of socialism modernization country, realize the great rejuvenation of the Chinese nation the Chinese dream provide strong institutional guarantee.

### 3. Characteristics of Reform

Throughout the 40 years of reform of government institutions, it is not difficult to find that the reform has always been towards the direction of streamlining, systematizing, professionalizing, internationalizing and service-oriented development [2].



### 3.1 Simplification

The streamlining of the administrative department is a very obvious feature of previous reforms. The number of departments is constantly adjusted and the staffing is constantly reduced. After continuous reform and adjustment, the number of ministries and commissions has been reduced from 100 departments of the state council at the initial stage of reform and opening up to 26 in the 2018 government restructuring, and the effect of the reform is very obvious.

### 3.2 Systematization

Adhere to the overall leadership of the party, and pay attention to the all-round reform under the overall command of the party. Systematization is divided into horizontal systematization and vertical systematization. Transverse systematic performance for expanding the scope of the reform, from the original mainly within the administrative system reform, to now include the party, government, National People's Congress, the Chinese people's political consultative conference, judicial, social organizations and institutions, such as cross flexibly, more and more areas, is a time to strengthen the overall leadership of the party is over, to the country's governance system and ability to plan as a whole and systematic reform of modernization as the goal. Vertical systematization is manifested in the coordination between the central and local governments. While adhering to the top-down orientation, it also relaxes the bottom-up orientation, allows local governments to set up institutions and allocate functions according to local conditions, and grants more autonomy to institutions at and below the provincial level. We will appropriately strengthen the functions and powers of local governments and encourage local governments and grass-roots units to actively explore and draw on experience.

### 3.3 Specialization

The administrative department for more and more pay attention to the reform of professional, is a specialized in department integration, beginning in 2008 with the super-ministries reform step by step, in 2018 the government institutional reform even more highlighted the characteristics of specialization [3], for example, to the masses are most concerned about food safety issues, in industry, science to distinguish the differences of the regulation of food and drug supervision, considering the effect of the drug regulatory, professional in a country market under state administration, a separate state drug administration, drug regulators set only to the provincial level. The establishment of the emergency management department will put the public security fire fighting forces, armed police forest forces and production safety emergency rescue teams under the jurisdiction of the emergency management department, which is conducive to ensuring and improving the professionalism of emergency management. Another example is the merger of the China banking regulatory commission and the China insurance regulatory commission, and the establishment of the China banking and insurance regulatory commission. The second is the professionalization of the personnel, and gradually improve the national civil service system, the construction of high-quality, professional administrative management team, the selection of personnel with professional quality, with a professional eye to look at and solve the problem, improve the efficiency and quality of the government.

### 3.4 Integration

This reform has strengthened the overall government construction in China, which is beneficial to the overall governance of key and difficult issues. First, at the policy-making level, we should improve and adhere to the party's overall leadership system, emphasize the establishment and improvement of the party's leadership system and mechanism for major work, and build and optimize a strong decision-making system for China to build a holistic government and prevent fragmented governance. We will improve the party's ability and resolve to set the direction, bear in mind the overall interests, formulate policies and promote reform. Second, at the executive level of the government, improve the integrity of the institutional setting and prevent the "Kowloon water control" -style fragmentation. For example, the state medical security bureau will be set up to integrate the



decentralized functions of basic medical insurance and maternity insurance, rural cooperative medical care, medical assistance and medical service prices, and continuously improve the level of medical security.

#### 3.5 Internationalization

China's comprehensive national strength is gradually enhanced, international trade is increasingly frequent, international status is increasingly enhanced, and international influence is growing. Therefore, the government's influence in international affairs should be taken into account in the improvement and adjustment of government institutions. The government restructuring in 2003 was carried out against the background of China's entry into the WTO. The state economic and trade commission and the ministry of foreign trade and economic cooperation were no longer retained, and their functions were incorporated into the newly established ministry of commerce. By 2018, a more comprehensive reform, set up the nation's international development cooperation agency and the national immigration authority, set up a national cooperation agency for international development, the ministry of commerce foreign aid about responsibilities and the ministry of foreign aid coordination work to consolidate, it is not only beneficial to give play to the role of foreign aid as an important means of power diplomacy, and to guarantee the implementation of the "area" initiative. The establishment of the immigration administration bureau is conducive to attracting international talents and improving China's international competitiveness.

#### 3.6 Servitization

The government plays a decisive role in dealing with and solving public affairs. An efficient government should pay attention to the function of social management and public service. Since 1998 the government institutional reform in our country, will the government function localization in the social management and public service, government institutional reform in 2018, even more highlighted the needs of the service economy, service society, not only pay attention to public service in medical and health promotion, and improvement in terms of culture, forming a national health insurance bureau, the national health committee, the culture and tourism, the purpose is to provide better public health culture and other public services.

# 4. Deepen the Reform of the Party and State Institutions and Make Full use of the Improvement of Governance Capability

# 4.1 Strengthening the Party's Overall Leadership is the Foundation for Enhancing the Party's Governance Capability

In order to improve the party's long-term governance capability, it is necessary to adhere to the party's comprehensive leadership as the prerequisite and foundation. Therefore, when carrying out reform, it is necessary to ensure that the party's comprehensive leadership is implemented. We should not only focus on the reform of government institutions themselves, but also strengthen the construction of the CPC's comprehensive leadership. To deepen the reform, we must strengthen the party's leadership aspects of the field work, establish and improve the party's leading system on major work mechanism, through the government institutional reform, the relevant party organization with similar functions, linked to other departments, further to merge office or offices, make the leadership of the party to achieve full coverage, to ensure that each work effectively; We should further optimize the party's work in organization, publicity, education and training, optimize all types of party committees' offices, and optimize the party's local offices, so that the principle of the party's overall leadership will be implemented and implemented in a systematic and organizational way.



# 4.2 Deepening Reform of the System of Large Ministries is an Important Organizational Form for Enhancing the Party's Governance Capability

The implementation of the "reform of large ministries" can effectively curb the fragmented management of the government. Compared with the reform of large ministries in 2008, the reform of the "large ministries" in 2018 has made a breakthrough, from the "industry management" mode to the "functional management" mode, which is more in line with the requirements of the modernization of the governance system. The "industry management" mode refers to the collection of all the responsibilities of the same industry into the same department. The government restructuring in 2008 integrated the former departments of the ministry of communications, the state civil aviation administration and the state post bureau to form the ministry of transport. In some situations, however, does not meet the need of the same industry consolidation, such as when the natural disasters such as earthquake, not only need to seismological bureau and other professional departments, also need to fire the armed police's participation, such as fire belongs to the ministry of public security, so you can create multiple management, administrative efficiency is low, by integrating "functional management" model, and can break the industry division management situation, such as the new emergency management department, the public security fire control team, the armed police forces and the jurisdiction of the production safety emergency rescue teams into the emergency department, to help improve the overall coordination, improve the efficiency of resource allocation and implementation. Therefore, in the future reform, we can continue to deepen the mode of "functional management", carry out overall planning and setting, organically merge similar functional departments, and integrate various resources for coordinated processing, so as to avoid problems such as function overlapping and multi-level management. The scope of integration should be more comprehensive, focusing on the overall construction of economic, political, cultural, social and ecological civilization. The reform of the "big-ministry system" is a long-term process, which requires continuous exploration. It should not only consider the realization of the reform objectives, but also consider the operability of the reform, so as to effectively promote the reform of government institutions.

# 4.3 Improving the Implementation of E-Government is an Effective Means to Enhance the Party's Governance Capability

Now is the information age, the network, the computer influences every aspect of our lives, the effective implementation of e-government is conducive to the realization of information transparency, is conducive to the improvement of administrative efficiency, is an effective means to enhance the party's ability to govern. Therefore, the government must keep up with the pace of the information age, to achieve the modernization of government management information, electronic. Business in the future, the government should speed up the comprehensive use in the network and information technology, design the government related business information processing system and the interaction between the government and citizen, platform, the integration of business processes, improve the ability of civil servant and master the use of related skills, government will also selected professional for system upgrade and maintenance, computer and technology talents training related personnel on a regular basis, at the same time, the government also should be knowledge popularization of electronic government affairs to the public, the electronic government affairs to fully apply in public life, exert its function.

# 4.4 Properly Handling the Relationship between the Government and the Market is an Important Way to Enhance the Party's Governance Capability

China is at a critical stage of comprehensively deepening reform. We need to constantly optimize the relationship between the government and the market, and get rid of the disadvantages of systems and mechanisms that restrict the market from playing a decisive role in resource allocation and allow the government to better play its role. Take the tax authorities as an example, the reform will combine the national tax and local tax authorities at and below the provincial level, and specifically assume the tax and non-tax revenue collection and management responsibilities within the region under its



jurisdiction. The combination of national tax and local tax can reduce the cost and burden of tax payment. At the same time, it is conducive to the unification of tax law enforcement standards, the sharing of tax information, the reduction of coordination costs between national and local taxes, the improvement of tax collection efficiency, and the unification of tax collection and management to maintain fair competition among enterprises in various regions. The land tax merger is an important way to optimize the environment of business, good business environment is a place where the important symbol of social civilization degree, its significance is far beyond the economic sphere, about all of the enterprise and the social members, is about the process of industry transformation and upgrading and results, about time, build a well-off society in an all-round way targets is a long-term arduous task complex. The business environment involves government affairs, the market, the rule of law and all aspects of society. There are many factors that affect it. It is a complex and systematic project. Only by optimizing the business environment, dividing the boundary between the government and the market, and coordinating and serving the government well can we achieve the goal of institutional reform. Government departments at all levels should speed up the transformation of functions, constantly enhance the initiative to serve enterprises, dare to take on responsibilities, be good at action, and optimize services. We will make it an important criterion to create a favorable environment for market players to develop, and implement the reform of deregulation and services.

# 4.5 The Fundamental Guarantee to Enhance the Party's Governance Capability is to Promote the Establishment of a Legal System

The third plenary session of the 19th CPC central committee proposed to "manage all kinds of organizations and institutions in accordance with the law, and speed up the legalization of institutions, functions, authorities, procedures and responsibilities", which is conducive to promoting the process of codification. In order to promote the legalization of government organizations, the basic law of government organizations, the organic law of the state council and the organic law of local governments should be improved. To formulate the institutional compilation law, stipulating in detail the functions and powers of government departments, internal organs, staffing, post allocation and operation rules; We should also improve the law on civil servants and other relevant laws and regulations, establish and improve the laws and regulations of party committees, people's congresses, CPPCC bodies, supervisory organs, judicial organs, people's organizations, enterprises and institutions, social organizations and other institutions, and form a systematic system of laws and regulations for the compilation of such institutions.

Looking back at the reform process of the past 40 years, China's government institutions have undergone great changes, can constantly adapt to the needs of economic and social development, reform ideas are increasingly clear, the future of China's government administration system will be more and more perfect, the government's governance ability will be stronger and stronger.

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