The Elementary Analysis of a Method of Social Governance

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Article History
Received: 15.09.2017
Accepted: 20.10.2017
Published: 30.10.2017
DOI:
10.21276/sjahss.2017.5.10.14

Abstract: With the expansion and promotion of international trade, free trade zones have been established in many places of the world. With the construction of free trade zones, the negative inventory management model is also used and developed in social governance. In the critical period of social development and transformation, the emergence of negative inventory management model can give new perspective and ideas to national development transformation and social governance innovation. Reasonable application of negative inventory management model is significant in solving the social contradictions, changing the government functions and constructing mechanisms to prevent corruption. This paper analyzes the negative inventory management model, explores and studies the government governance innovation.

Keywords: negative list, social governance, mechanism construction.

INTRODUCTION

Negative inventory management mode
The Connotation and Theoretical Basis of Negative Inventory Management Mode the basic meaning of the negative inventory management model. The most critical meaning of negative inventory management model is the "negative list." A "negative list", also known as an inactive list, refers to a list of matters that are clearly prohibited by law or in the relevant rules and regulations; for non-listed matters, they are a management model allowing related rules and regulations.

The theoretical framework of the negative list management model

The legal framework of the negative list management model
The legal thinking of the negative list management model comes from the idea that "Fa wu jin zhi ji ke wei", which means it is legal as long as it is not explicitly prohibited in law. Mr. Wang Liming, a scholar, argues that the negative inventory management model is a concentrated expression of private law autonomy [1]. Private law autonomy refers to civil subjects within the scope of the law enjoying a wide range of freedom of movement, and independence of civil behavior. The state and the government have no right to intervene. Negative inventory management model is a good practice of this idea.

The economic thinking basis of the negative list management model
The economic thinking basis of negative inventory management model of is mainly from the classical liberal economic thinking, represented by Hobbes, Locke and Adam Smith, which states the less the government controls the better the results would be. Market economy has its own operating rules and the market players can also manage their own affairs according to the laws of the market. The Government only needs to work as a good "night watchman". In the negative inventory management system, the government controls only the contents of the negative list, which is the duty of "night watchman". As for the items outside the negative list are completely surrendered to the market. This is the embodiment of classical liberal economics.

The management basis of negative inventory management model
The management basis of negative inventory management model is mainly from the new public management theory. The new public management theory mainly emphasizes the government's administrative efficiency and service quality. The so-called administrative benefits refer to the ratio of
government administrative income and cost, which requires the government to run as the company. The emphasis on quality of service is a criticism of the bureaucratic government, emphasizing the satisfaction of the people’s government. Negative inventory management model utilizes the negative list to achieve streamline administration and institute decentralization, which is not only able to effectively reduce the administrative costs, but also improves the administrative benefits. At the same time, the combination of negative inventory and the corresponding supporting system, forming a complete negative inventory management model, is also the improvement of service quality.

Evolution of Negative Inventory Management Model

The generation of negative inventory management model

The world’s recognized negative inventory management model can be traced back to 1843. The German-German customs union during that time clearly stipulates that the German Federal countries that have joined the customs union will be fully open except for the unregulated import market areas that are clearly defined. This is the first time to use a negative list to manage import and export trade, marking the birth of a negative inventory management model.

The development of negative inventory management model

After its birth in Germany, negative inventory management model gradually began to develop and come into use. Some iconic events are: The 1994 "North American Free Trade Agreement" adopted a negative list management model. Some scholars believe that it is the first application of modern management sense of the negative list of management mode. In 1995, the negative inventory management model was adopted in the World Trade Organization's General Agreement on Trade in Services (GATS).

Later, it has been more widely used in the international trade, such as "cross-Pacific Strategic Economic Partnership Agreement", "Transatlantic trade and investment partnership agreement" and the "Comprehensive Economic and Trade Agreement" signed by EU and Canada. According to statistics, in international trade, about 70 countries and regions adopted a negative inventory management model.

The future outlook for the negative inventory management model

The future development of the negative inventory management model is mainly two aspects. First, the area continues to expand. In the field of international trade, the negative list management model is popular among more and more countries and regions of all ages. Negative inventory management model is widely used due to economic globalization. Second, it is expanded within the application area. The current negative list management model is mainly used in the field of international trade. The characteristics and advantages of the negative inventory management model make it possible to be widely used in other areas, such as government function transformation, prevention of corruption and government supervision. For example, Nanjing city in China began to explore in this area. In the "Nanjing 2016 - 2017 annual government procurement, Nanjing government purchase service directory" on the basis of the introduction of "Nanjing 2017 - 2018 Nanjing purchase service negative list", clearly provided by the government, which is not suitable for social service matters. The problem of blurring boundaries between the public service and government is solved.

ANALYSIS OF THE ADVANTAGES OF NEGATIVE LISTS

The advantage of the negative inventory management model is primarily relative to the positive list management model. Positive list management model is a model which lists the matter allowed by related rules and regulations, and the non-listed matters are not allowed. Negative inventory management model has two main advantages.

The first is the clarity of the scope of authority. The positive list is often difficult to fully summarize the scope of management or permission. And the use of ambiguous language makes the scope of the main authority fuzzy. While the negative list directly decides the scope for non-management, then the rest are within permission range, making the scope of the main authority clear.

Second, it is the incentive for social vitality. In the negative list management model, non-listed matters are legitimate matters, making the market less controlled and stimulate the enthusiasm of the market players.

The significance of Negative inventory management model for social governance

"Service" government construction and administrative efficiency improvement

The traditional positive list model lists the government's terms of reference. However, it is difficult to summarize all aspects of this list. Moreover, with the development of society, the scope of government's duties should also be changed. In fact, this is difficult to achieve. Therefore, the front list management model provides an opportunity for the government "missing", "dislocation" and some government staff "laziness", and "mediocrity". In the case of a negative list management model, it can be used to list the scope of government
non-governmental duties, and the rest are within the scope of government responsibilities. Coupled with a reasonable supervision and inspection system, it can effectively spur the Government and its staff to perform their duties. At the same time, the negative list management model also makes the negative inventory at the border caused by blurring "edge ball" problem effectively resolved. Because the negative list can effectively delineate the boundary, clear the main responsibility.

Construction of anti-corrosion mechanism

In the case of "disadvantages", some government agencies and their staff hold "lazy" attitude. In the case of "advantages", the government often will not consciously control their own "hand". It is easy to breed corruption. In the positive list management model, due to the ambiguity of the government responsibilities boundary, in some "profitable" management areas, the government tends to control too much. First of all, this is not conducive to the social vitality. Secondly, many things in the social and economic fields should have been decided by themselves. And the government's powers and responsibilities are too large to make these things determined or influenced by the government. In such a situation, the government is prone to black-box operation and power transactions. This also became a cause of corruption. The negative list management model, through the negative list of forms, clearly lists the government should not manage or should limit the scope and level of government management areas, the social and economic areas of the decision to the main body. In this way, the "visible hand" of government can be restrained by clearly claiming the "profitable" but not the scope of government management, which cut off the right of trade channels directly from the institutional level, preventing the generation of corruption.

Transformation of government functions

As a result of the use of negative inventory management model, the government only manages service matters, and then let go the other affairs to the market players and social institutions. It makes the government convert from the original producers of public goods and quasi-public goods to non-producers. In order to ensure the quality of these public goods and quasi-public goods, the government needs to increase supervision and inspection. In this way, the functions of the government transform from the direct provision of public goods and quasi-public goods to monitor the inspection. This requires the government to make two changes, namely "step forward and backward". "Step backward" means that the government decentralizes some public services and quasi-public service areas. "Step forward" refers to strengthen the supervision and inspection and quickly establish a reasonable supervision and inspection mechanism in the government launched the field to protect the quality of public goods and quasi-public goods.

The expansion of the scope of application of negative inventory management and mechanism construction

The expansion of the application of the negative inventory management model

Currently, the application of the negative inventory management model is mainly in the field of international trade, which is a free trade area for foreign investment to enjoy access to the former national management mode. Moreover, the negative inventory management model can be adopted in many areas and have a good effect. For example, in the administrative examination and approval system reform, the government will be able to limit the scope of approval through a negative list, preventing excessive expansion of government authority, which causes the government "offside." From the perspective of provision of public goods and quasi-public goods, with the negative list management model, the government can not intervene in the field, thus stimulating market vitality; as for the matters outside the list, the government is duty-bound to effectively avoid perfunctory behavior. It can be said that the negative list management model is not only limited to the field of foreign trade in foreign investment management, but also in many other areas of government governance. And some local governments in our country have begun to explore this regard [4]. Therefore, there is a trend that the scope of the application of negative inventory management model can be applied to other areas of government social governance.

Negative inventory management mechanism construction

"Negative list + supervision review" mechanism construction

Based on the negative list, negative inventory management makes the government out of some social and economic fields. But the government's exit is not that the government is completely out of the field, but only out of the "athlete" status, like in the field of production and supply of some public goods and quasi-public goods. But the government still has to play its necessary role. To give some areas to society and market players, the government must assume the responsibility of monitoring to ensure the quality of public goods and market order. Then in the negative list, the government should not participate in the field. It should change their role from the "athlete" into "referee", establishing and improving the field of supervision and inspection mechanism. At the same time, the supervision and inspection system is also for the government itself. In terms of the use of negative inventory management model, on the one hand, some
areas of government need to deregulate. On the other hand, the government must be duty-bound in some areas where the negative list of government should do something. As for the supervision and inspection system, the government should supervise its departments and staff according to the law.

"Negative list + credit system" mechanism construction

For some economic areas, particularly the areas that need the government to strengthen the decentralization power to stimulate market vitality of the economic field, such as innovation and entrepreneurship field and foreign trade. The government should reduce the control and give the right of decision-making to the market as long as it has nothing to do with the lifeline of the national economy. Then the government only needs to provide the basic public service and information supply. And the supply of these basic services and information may include the credit of the market players in the field. For example, the government builds a certain scoring system and credit system, regularly publishes the main body of the market credit rating and score towards the market, which lead to opaque information of the market and guide the market to healthy competition. In the area of public goods outsourcing, the government can even list four different levels of the market: the prohibitions, restrictions, allowances and encouragement, and limit the undesirable market subject to enter the produce and supply areas of the public goods.

"Negative list + policy protection" mechanism construction

In some quasi-public goods supply industry, such as the real estate industry, pension industry and so on, if the government adopts a negative list management model, the negative list will be listed as a range that the government should not directly control, letting market to provide such products. This will result in vulnerable groups, such as those who cannot buy commercial housing and pension services [5]. For this group of people, the government needs to take policy protection, so that they can enjoy such quasi-public goods. Taking a negative list is to improve the efficiency of quasi-public goods supply. And policy protection is to make up for the social equity issues arising from the improvement of efficiency.

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