

Original Research Article

## Literature Review on Rural Revitalization Industry Revitalization

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**Abstract:** The 19th National Congress of the Communist Party of China (CPC) proposed the implementation of rural revitalization strategy for the first time, and established the 20-word general policy of “thriving industry, livable ecology, civilized rural customs, effective governance and rich life”. “Industry prosperity” in the first place, undoubtedly highlights the rural industry revitalization is the most important policy implementation points in the strategy. Among them, the expression “production development” is upgraded to “industry prosperity”, indicating that the rural revitalization strategy puts forward higher requirements for the development of rural industries, that is, the industrial integration development that highlights the multi-function of agriculture<sup>[1]</sup>. Many researchers have begun to pay attention to the revitalization of rural industries. The existing researches on the influencing factors of rural industry revitalization mainly include system supply, main body activation, factor allocation and development mode.

**Keywords:** Rural Revitalization; Rural Industry Revitalization; Rural Industry

### 1. Background of rural industry revitalization

The report to the 19th National Congress of the Communist Party of China (CPC) put forward for the first time a strategy for rural revitalization and established a 20-word general policy of “thriving industries, livable ecology, civilized local customs, effective governance and prosperous life”. “Industrial prosperity” is put in the first place, which undoubtedly highlights the important position of modern agriculture development, and emphasizes that rural industry revitalization is the most important policy implementation point in the strategy.

While implementing the rural revitalization strategy, we should also see that the current situation and conditions are constantly changing. 1. The rise of a new type

of great power faces many obstacles. In 2018, the US started a trade war with China, which hindered China’s development in the global economy. Therefore, as the most fundamental cornerstone of the country, it is increasingly important to promote the strategy of rural revitalization and give play to the guarantee role of rural areas in China’s economic and social stability. 2. Unsustainable problems are becoming increasingly apparent. The issue of ecology and environmental protection is a common problem facing mankind, which is even more serious in China due to its large population base and small amount of resources per capita. In China, “urban disease” is becoming more and more common, and “rural symptoms” are also becoming more and more common. Rural environmental pollution and ecological destruction are also becoming more and more serious. Soil pollution and food safety problems caused by pesticides and ferti-

-lizers are becoming more and more prominent. Therefore, the strategy of rural revitalization needs to be combined with the construction of ecological civilization to promote the development of rural industry towards a sustainable direction. 3. Three major excess capital and increasing government debt. Industrial and commercial capital is generally surplus. Financial capital flows from the real industry to the virtual economy sector for a short period of profit. However, with the increase of the government's investment in infrastructure construction and people's livelihood security, the debt is also increasing, and the fiscal surplus is less and less. Therefore, it is increasingly difficult to continue to rely on fiscal investment to promote ecological civilization construction and implement the strategy of rural revitalization. 4. The growth and rise of the middle class has unleashed new drivers of economic growth. "China has formed the world's largest middle-income group", the central government said in a document issued at the Economic Work Conference in December 2017. The rising middle class has a need to go to the countryside<sup>[1]</sup>. New policies and systems should be designed according to the changing background and conditions to promote the rural revitalization strategy.

## 2. Current situation of rural industry revitalization

The existing research on the development status of rural industry revitalization shows that industrial integration is the main form of rural industry development. Since the central Document No. 1 in 2015 first put forward the new idea of "promoting integrated development of rural industry", the development of rural industry in recent years has been moving towards industrial integration instead of industrial isolation, and the era of agriculture 4.0 has arrived<sup>[2]</sup>. The existing analysis on the phased characteristics of the integrated development of rural industries mainly includes two aspects: first, the overall characteristics of the integrated development of the three industries. The overall level of the integrated development of the three industries in China is not high, but it is on the rise. From the perspective of regional differences, the industrial integration level of the eastern region is higher than that of the central region, while the industrial integration level of the western region is at the lowest level. The eastern region is in a leading posi-

tion in terms of growth rate and development level. From the perspective of the combination of regional and integration stages, the eastern region has been at the primary coordination level, the central region is divided into reluctant coordination and primary coordination, and the western region has been at the stage of reluctant coordination. The second is the analysis of the inter-provincial characteristics of the integrated development of the three industries. The leading regions of China's industrial integration basically belong to the eastern provinces, while the regions with lower level of industrial integration development mostly belong to the western regions. Second, small farmers are still important industrial operators, "big country smallholders" is one of the important national conditions of agriculture. At the present stage, small farmers are different from traditional smallholders. They are not willing to give up their contracted land management right, and most of them are part-time farmers. Migrant work is the main source of income for their families, while farming is mainly to satisfy their own consumption. Scale operation is an important basis for the development of modern agriculture, and it is difficult to build modern agriculture through decentralized and extensive agricultural management<sup>[3]</sup>. In general, the modern rural industrial system has not yet been formed<sup>[4]</sup>.

These studies indicate that the integration of the three industries in China is still in the initial stage, and the overall characteristics are as follows: large regional differences, insufficient effectiveness in matching the overall economic development, and good growth space and prospect. It also suggests that while China is implementing the strategy of rural revitalization and improving the overall level of industrial integration, regional differences should be taken into account, and industrial revitalization policies should be implemented according to local conditions to promote inter-industrial integration and inter-regional integrated development.

## 3. Bottleneck of rural industry revitalization

The existing bottleneck researches on rural industry revitalization mainly include three points:

First, the degree of rural industrial development is low, the basic factor supply is insufficient. In terms of product quality, success or failure on the basis of yield

remains the most entrenched conceptual obstacle to agricultural improvement in many areas. In terms of industrial structure, it still stays in the stage of single and decentralized operation, traditional planting and leasehold agricultural operation. In terms of brand building of agricultural products, there is a lack of brand awareness in the marketing process of agricultural products, the mining of regional culture and the marketing of product characteristics are not in place, and there is a lack of strategy in brand building. In terms of infrastructure supply, there is a long-term shortage of supply. For example, in terms of information level, information construction has always been a weak point in agricultural optimization and upgrading, and the advantages of Internet sales have not been fully utilized. In terms of financial support, the construction of rural financial system is not perfect yet, and the support for improving agricultural infrastructure, enhancing the level of informatization, and perfecting credit links is relatively insufficient.

Second, the type of rural industry is relatively single, and the degree of integration between agriculture and secondary and tertiary industries is relatively low. Most of the local factories built by agricultural processing enterprises in “industrial towns” are at the level of rough processing, and the value increase link of agricultural products is controlled by the secondary industry responsible for the fine processing and packaging of agricultural products and the design and sales of agricultural products. Rural areas get minimal return on capital by providing raw materials or primary products to enterprises only through initial agricultural processing. The common problems in “tourism villages and towns” are the imperfect infrastructure such as water, electricity and transportation, and the low level of modern informatization such as Internet of things and big data, which hinder the effective improvement of service management level of rural tourism industry. Rural industry alignment is low, mainly reflected in: the main body of agricultural management or in family farmers as the main body of the basic production unit, small-scale peasant mode of operation, because of the influence of land policy and realistic ideas, other operators, especially among the young group is difficult to access the operation of rural industry, agricultural management group is difficult to produce new blood. As the function of agriculture is still at the bottom of the supply chain of providing primary

agricultural products, its functions in terms of civilization inheritance, ecological protection, health and old-age care have not been fully explored<sup>[5]</sup>.

Third, rural decline is widespread. The decline of the countryside is a by-product of modernization. In the process of modernization, industrial transformation and upgrading have formed a huge factor demand. Thanks to greater mobility, higher yields, and higher wage affordability in the service sector, cities have become more competitive than the countryside, attracting rural labor, land, and capital to the cities. This has aggravated the decline of rural industry and rural culture, caused serious loss of rural population, and led to a series of rural decline phenomena such as rural hollowing out, rural non-farming, and rural aging<sup>[6]</sup>.

The above research indicates the arduousness and complexity of the rural industry revitalization, and also indicates that there is still a long way to go to implement the rural industry revitalization strategy. In general, China’s rural industry revitalization is still in the primary stage of development, there are problems in the process of development, and the problems are different, we must seek truth from facts, targeted solutions to lay a good economic foundation for rural revitalization. Only when industry revives can the countryside prosper.

## **4. Rural industry revitalization countermeasures**

### **4.1 Improve top-level design to provide institutional guarantee for rural industry revitalization**

After entering the new era of socialism with Chinese characteristics, the Party Central Committee made a new and accurate grasp of the “three rural” issues and made strategic adjustments to keep pace with The Times. In the report of the 19th National Congress, it clearly put forward the grand strategy of “rural revitalization”<sup>[7]</sup>. Industrial revitalization is the cornerstone of rural revitalization. The key to industrial revitalization lies in the integrated development of primary, secondary and tertiary industries, and the integrated development of rural tertiary industries cannot be advanced without the support of the government and the construction of institutions and mechanisms. At the same time, each district should take measures according to local conditions, formulate supporting policies to support the development of

rural industries, and strengthen the design and implementation of projects. Specifically, local governments should grasp the principle and spirit of the policies and give play to the driving force of the integration of the three industries when implementing the major principles and policies of the central committee. We will strengthen government subsidies for industries in regions that differ from each other in the level of integration of the three industries. We will give priority to supporting backward regions in integrating their industries, and strengthen policy support and infrastructure investment in backward regions to narrow the gap. We should increase industry subsidies from production to the deep processing and sales of agricultural products, especially for demonstration projects and key projects to give financial and tax support. We will improve policies, establish systems, and fully implement them, and activate the mechanism for integrated development of rural industries, thus laying an industrial foundation for the rural revitalization strategy.

#### **4.2 Creating new forms of business in rural industries and fostering new drivers for rural industry revitalization**

Fostering new industries, new forms of business and new models of deeply integrated industries, promoting the deep processing of agricultural products, and fundamentally enhancing the added value of agricultural products are the breakthrough points of the strategy to promote the revitalization of rural industries. Relying on the integrated development of industries, we will create characteristic industrial clusters, strengthen the brand building of rural industries, drive the development of rural tourism and other tertiary industries, and promote the revitalization of rural industries. We will promote technological upgrading, promote the development of “Internet plus agriculture” and rural e-commerce, expand the supply of agricultural materials and sales channels for agricultural products, and use online sales of agricultural products to activate the driving force for the development of rural industries. Promote the development of rural industry 123 fusion, the emphasis is on the rural land, capital, technology, talent elements such as strong integration and utilization of resources, fully stimulate various elements and the main body of life, strengthen the brand construction, strengthen farmers’ professional co-operatives, promote and fine processing

of agricultural products, through the industry chain extension and new forms of germination of promoting the coordinated development of resources, and break the barriers in the development of industrial convergence. Combined with the development characteristics of rural areas, the integrated development of “agriculture + industry”, “agriculture + tourism” and other industries is formed through the integration of three industries, forming an industrial development system with integrated utilization of factors, and injecting new energy into the revitalization of rural industry<sup>[8]</sup>. An important starting point for rural revitalization is to build a modern agricultural system<sup>[9]</sup>.

#### **4.3 Promoting rural revitalization across the country by region and category**

China has a vast territory. Due to obvious spatial differences in social economy, resource endowment, development level and coordination degree of “four modernizations” (industrialization, its application, urbanization and agricultural modernization), the development level of rural areas is uneven. The internal development of China’s countryside presents a pattern of multiple differences. Generally speaking, the eastern villages, plain villages, suburban villages and villages with strong resource carrying capacity are relatively developed, while the western regions, hilly and mountainous areas, ecologically fragile areas and remote and remote areas are relatively backward. Different levels and levels of rural development will lead to different timings to achieve rural revitalization and equivalent urban-rural development. In the process of rural revitalization, it is impossible to achieve the same level of rural development at the same time. Instead, unbalanced strategies should be implemented in stages and in batches according to the differences in rural development, so as to achieve the ultimate balance between urban and rural areas. A four-level planning system can be established, including the national rural revitalization strategic planning, provincial urban rural revitalization planning, county rural revitalization overall planning, village and town rural revitalization detailed planning, in combination with administrative divisions. Based on the positioning of the main functions of agriculture, the comprehensive development level of the region, and the location conditions of villages and towns, the regional zoning, county classification

and village classification positioning of rural revitalization are studied. On this basis, the implementation mechanism of the zoning and classification of rural revitalization strategy is studied. In the near future, rural areas with a high level of comprehensive development should be encouraged to further strengthen their interaction with cities and explore innovative modes of urban-rural integration. We will strongly support and encourage medium-level rural areas to give full play to their comparative advantages, explore ways to energize and complement each other's strengths between urban and rural areas, and work hard to narrow the gap between urban and rural areas. For deep poverty or relatively poor areas, poverty is the country revitalization of the premise, the implementation of accurate strategy for poverty alleviation, stimulate the poor idle poverty "endogenous power" is the focus of current rural revitalization strategy implementation, should play under the national policy support poverty to be completed, solid foundation, and then a gradual advance rural revitalization of<sup>f[10]</sup>.

The relevant research shows that, due to the huge differences between China and foreign countries in national conditions and development stages, the rural development experience of European and American countries can hardly bring direct reference value to China. However, China can learn from the essence of their rural development model instead of copying their experience. In general, the revitalization of rural industry in China is still in the primary stage, and there are still many theoretical and cognitive problems that need to be further studied, and new situations and problems in the practice of promoting the prosperity of rural industry need to be paid more attention to. China's rural industry revitalization needs to pursue quantitative to qualitative transformation, pay attention to sustainable development, pay attention to the implementation of local conditions, explore the development model of rural revitalization with

characteristics of various regions in China, and truly achieve rural industry revitalization and rural revitalization.

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