

Chinese-style Modernization and Integrated Development of Urban-rural Economies

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Abstract: Throughout the process of urban and rural economic development and modernization in New China, the changes in urban and rural economic relations have always echoed the proposition of modernization at different stages. After the reform and opening up, China's urban-rural economic relations have shown a trend of integration, and the process of Chinese-style modernization has accelerated. With the implementation of the rural revitalization strategy, the two-way flow, efficient combination, rational allocation and orderly development of urban and rural elements have been further improved, and the integration of urban and rural economies and the new journey of Chinese-style modernization have achieved internal unity.

1. Introduction

The biggest imbalance in China's development is the imbalance between urban and rural development, and the biggest inadequacy is the inadequate development of rural areas. Throughout the evolution of urban-rural relations since the founding of the People's Republic of China, from industrialization and urban-rural duality before reform and opening up, to the overall planning of urban-rural development and the implementation of rural revitalization strategy in the process of mercerization, China's urban-rural dual system has been continuously broken in the reform and development [1]. It can be seen that the integrated development of urban and rural economies is closely related to the process of China's modernization.

2. Urban-rural Economic Relations and the Historical Evolution of Chinese Modernization

2.1. Industrial Priority and the Relative Separation of Urban and Rural Economic Relations (1949-1978)

At the beginning of the construction of New China, in order to rapidly promote industrialization, the industrialization development strategy of giving priority to the development of heavy industry was established, and in order to promote this strategy, measures such as the price difference between industrial and agricultural products, unified purchasing and marketing, and agricultural collective management system were implemented, which provided resources and financial support for urban industrialization, but also caused the relative separation of urban and rural economic relations.

2.1.1. In Exchange for Resources to Industry from Agricultural Supplements

Due to China's choice to implement the development strategy of industrial inclination, the industrial sector has become the centre of gravity of industrial policy support. Although it conforms to the general law of economic development, relying on the natural accumulation of the agricultural sector, it is unlikely that China's industrial structure will be rapidly upgraded in the short term. Therefore, the state's policy of unified purchasing and marketing came into being along with the strategy of giving priority to the development of heavy industry. As far as the national strategy of

rapidly promoting industrialization is concerned, the policy of unified purchasing and marketing has severed the connection between agriculture and the market, transferred the production surplus of the agricultural sector on a large scale, and provided resources and financial support for urban industrialization, but the economic gap between urban and rural areas has widened.

2.1.2. The formation of the Rural Collective Economy

Since the national strategic focus is on the establishment of a complete industrial system, it is determined that the development of the agricultural sector must rely on the realignment of its own resources. When the degree of agricultural mechanization and electrification is low, cooperatives can unite farmers through low-cost cooperation and mutual assistance, improve the degree of organization of rural labour force in the form of collective labour management, improve agricultural labour productivity by giving full play to the advantages of collective production, and effectively resist natural disasters and improve land utilization, maximize food production, and provide more agricultural support for the industrial sector. However, at this time, the development of productive forces in the rural areas was not sufficient, which affected the development of the agricultural economy. As a result, the imbalance in the economic relationship between urban and rural areas has been reinforced.

2.2. Reform and Opening-up and the Gradual Harmony of Urban and Rural Economy (1978-2002)

Since the beginning of reform and opening up, China has realized the transformation from a planned economic system to a socialist market economic system, and the rural and agricultural fields have been the pioneers of reform, promoting the continuous adjustment of urban-rural relations.

2.2.1. Household Production Contracting and Revitalizing the Agricultural Market

In 1978, the Third Plenary Session of the 11th Central Committee of the Communist Party of China (CPC) resolved to allow farmers to contract production to the group and to contract the dry work to the group. The implementation of the household responsibility system has changed the traditional mode of resource allocation and production organization in China's rural areas, and the members of rural collectives have been given full rights to claim surplus, their enthusiasm for production has been greatly enhanced, and agricultural productivity has been effectively liberated and developed. The relaxation of restrictions on the circulation of agricultural products has provided the necessary conditions for the flow of urban and rural factors and the mercerization of agricultural products, and the efficiency of agricultural production and operation has been greatly improved. As a result, the economic gap between urban and rural areas gradually narrowed during this period.

2.2.2. The Rise of Township Enterprises

The development of township enterprises in China lies in improving the utilization rate of surplus labour in the rural sector, promoting the development of the rural commodity economy, realizing the fundamental goal of "supplementing agriculture with industry", and providing agricultural operators with the industrial products and agricultural socialization services they need. As an important carrier of the rural industrial economy at that time, township enterprises played an important role in accumulating funds and absorbing local rural labour, and truly realized the form of non-agricultural employment without leaving the homeland, which played a role in correcting and improving the unbalanced urban-rural economic relations in the past.

2.2.3. The Focus of Reform Shifted to the Cities

In 1992, the 14th National Congress of the Communist Party of China proposed to establish a socialist market economy system on the basis of the basic socialist system and form an economic form of symbiotic development of multiple economic components, which also marked the shift of the focus of reform to urbanization. Compared with rural areas, cities are the political, economic, social and cultural centres of the country or region, and the in-depth promotion of market-oriented

reforms has strengthened the ability of the urban sector to gather economic resource elements. The dual superposition of policy factors and market-oriented factors has resulted in a certain degree of one-way flow between urban and rural factors.

2.3. Coordinated Promotion of Urban and Rural Economy (2002-2012)

In the stage of overall promotion of urban and rural areas, the government has always regarded agriculture, rural areas and farmers as the top priority, and has made great efforts to build a long-term mechanism for promoting agriculture through industry and leading rural areas with urban areas, so as to form a new pattern of integrated economic and social development of urban and rural areas. During this period, the government directly led the allocation of urban and rural resources to promote the balanced development of urban and rural economies.

2.3.1. Implement "Industry Feeds Agriculture, and Cities Support Villages"

In 2002, the Central Rural Work Conference put forward the policy of "giving more, taking less, and letting go of agriculture". In 2003, the Third Plenary Session of the 16th Central Committee of the Communist Party of China made a strategic plan for the overall planning of urban and rural areas to promote the integration of urban and rural areas, and proposed to guide urban industrial and commercial capital to go to the countryside to support the modern production of agricultural products with the guidance of agricultural industrialization. In 2004, the State Council began to exempt or reduce agricultural taxes on a pilot basis, and in 2006 it was raised to the legal level, fundamentally reducing the tax burden on agricultural labourers. The implementation of the national "feed-back" policy has changed the one-way flow of resources and factors from rural to urban in the past, and the policy design and institutional arrangements in rural areas have made the one-way urban-rural relationship begin to transition to a two-way interactive urban-rural relationship, and the income of rural residents has increased faster and began to surpass that of cities, and the economic gap between urban and rural areas has gradually narrowed.

2.3.2. Implement the Policy of Urban-rural Integration

In 2002, the 16th National Congress of the Communist Party of China proposed that the main task of China's economic system reform and economic construction in the new period is to coordinate the economic and social development of urban and rural areas and promote the coordinated development of urban and rural areas and regions. In 2012, the 18th National Congress of the Communist Party of China clearly put forward the strategy of urban-rural integration development, pointed out that the core of the new urban-rural industry-agricultural relationship is the integration of urban and rural areas, and emphasized the establishment and improvement of the system and mechanism of equal exchange of urban and rural elements, as well as the realization of the integrated and balanced allocation of public resources between urban and rural areas. The urban-rural integration strategy has strengthened the close ties between the urban and rural economies and narrowed the gap between the urban and rural economies.

2.3.3. Carry Out the Construction of a New Socialist Countryside

In 2005, the Fifth Plenary Session of the 16th Central Committee of the Communist Party of China (CPC) proposed to promote the construction of a new socialist countryside from five aspects: economic, political, cultural, social and legal system, in accordance with the requirements of "production development, affluent life, civilized rural customs, clean village appearance, and democratic management". The construction of a new socialist countryside is an effective practice of the scientific outlook on development in the new historical stage, which shares the fruits of development with the rural areas and farmers, promotes the all-round development of the rural areas, and narrows the economic gap between urban and rural areas.

2.4. Comprehensive Integration of Urban and Rural Economies (2012-present)

2.4.1. China Expands the Connotation of Coordinated Urban-rural Development by Promoting New Urbanization

The 18th National Congress of the Communist Party of China proposed to rely more on the transformation of economic development mode and the coordinated interaction between urban and rural areas to enhance long-term development stamina [2]. The new type of urbanization is not only a strategic response to China's comprehensive construction of a moderately prosperous society, but only through the development and improvement of the urban-rural integration system and mechanism to guide the rural economy to improve its self-sustaining ability, can the urban-rural relationship enter the stage of long-term sustainable integrated development.

2.4.2. China has Placed the Countryside on An Equal Footing with the City through the Implementation of the Rural Revitalization Strategy

The rural revitalization strategy provides guidance for the establishment of a new urban-rural relationship and the realization of urban-rural integrated development. In terms of productivity, the implementation of the rural revitalization strategy will help improve the efficiency of agricultural input and output, increase the added value and market competitiveness of agricultural products through agricultural supply-side structural reform, and promote the integration and structural upgrading of rural industries. In terms of production relations, the implementation of the rural revitalization strategy will help to adhere to the economic foundation of rural collective ownership, deepen the reform of the rural property rights system, and improve the efficiency of urban and rural resource allocation and the level of market openness.

3. The Practical Logic of Urban-rural Economic Integration and Chinese-style Modernization

3.1. Chinese Modernization is the Modernization of A Huge Population, and the Integration of Urban and Rural Economies is the Key Support for the Modernization of the Rural Population

Under the national condition that China has a population of nearly 1.4 billion, no matter how far industrialization and urbanization progress, agriculture must develop, the countryside will not die, and urban and rural areas will coexist for a long time, which is also an objective law. In the process of China's modernization, the integration of urban and rural economies is an important starting point for the mutual promotion of industry and agriculture and the complementarities of urban and rural areas.

3.2. Chinese Modernization is the Modernization of Common Prosperity for All People, and the Integrated Development of Urban and Rural Economies is a Prerequisite for Achieving Common Prosperity

Although the gap between urban and rural areas in China has been narrowing through continuous deepening reform, the development pattern of rural areas lagging behind cities for a long time has not fundamentally changed, and the "three rural" problem is still the biggest shortcoming restricting common prosperity. From 2012 to 2021, the per capita disposable income of urban and rural residents in China remained above 2.5 times, and the absolute value of the per capita disposable income gap between urban and rural residents has been widening, from 15,738 yuan in 2012 to 28,481 yuan in 2021. Therefore, continuously promoting the integrated development of urban and rural economies and narrowing the development gap between urban and rural areas is an indispensable and important part of the road to achieving common prosperity in China.

4. Suggestions on the Chinese Modernization and Integrated Development of Urban and Rural Economies

4.1. The Two-way Flow of Urban and Rural Elements Supports the Modernization of the Huge Population Scale

The modernization of the huge population scale determines the coordinated promotion of accelerating urbanization and urban-rural economic integration, and it is necessary to solve the imbalance and inadequacy between urban and rural elements. On the one hand, open up the blockage points of two-way flow and let urban and rural elements flow; On the other hand, the cost of two-way flow should be reduced, so that the flow of urban and rural factors can be smooth.

First, it is necessary to build a two-way convection balance mechanism for urban and rural labor. Focusing on the county-level promotion of new-type urbanization, efforts should be made to improve the development level of industry, infrastructure and public services at the county level, accelerate the process of urbanization of the rural migrant population, and allow more rural labor with the willingness and ability to transfer to urban areas with high marginal productivity and non-agricultural industries. The integrated development of urban and rural areas requires adhering to the policy of giving priority to the development of agriculture and rural areas, improving the relevant guarantee development system, implementing the basic rights and interests of all kinds of entrepreneurs who have returned to their hometowns, establishing an integrated policy system for talents to go to the countryside, and enhancing the cohesion of rural human resources, the attraction of technical talents, and the cohesion of management talents.

Second, it is necessary to build a rational flow and exchange mechanism for urban and rural funds. We should continue to improve the system of fiscal support for agriculture, and the design of financial payment should fully consider the important role of rural areas in ensuring food security and maintaining ecological balance, and use special financial funds to guide and support the development of modern agriculture and the construction of parks. The integrated development of urban and rural areas requires increasing the utilization rate of rural savings funds in rural areas, deepening the reform of the rural financial system, accelerating the improvement of the rural credit information service system, continuing to innovate rural financial products, and striving to expand the coverage of rural inclusive finance.

4.2. The Efficient Combination and Distribution of Urban and Rural Elements Promote the Modernization of Common Prosperity

4.2.1. Strengthen the Industrial Layout and Synergy Based on the Endowment of Urban and Rural Factors

First, build a coordination mechanism for urban and rural industrial chains and layouts. The integrated development of urban and rural areas requires improving the complementary structure of urban and rural industries and markets, continuously improving the quality of the modern logistics system, and connecting urban industries and rural markets. Through the integrated development of urban and rural industries, we will promote the integration of rural tertiary industries, activate rural development, cultural tourism and ecology, promote the upgrading of rural industrial structure, and form an integrated industrial cluster of "culture, business, tourism and agriculture". The integrated development of urban and rural industries needs to strengthen the intensive processing of agricultural products and brand marketing strategies, improve the chain development business model, build an integrated mechanism for the transformation and application of urban and rural science and technology, and deepen the connection between urban and rural industrial chains.

Second, vigorously promote the diversification of rural industries and the industrialization of county seats. On the one hand, the diversification of rural industries requires that the development of rural secondary and tertiary industries be promoted through the upgrading of rural industrial structure, and on the other hand, the integration of rural tertiary industries is promoted by virtue of the integrated development of urban and rural industries, the core of which is to improve the efficiency of the connection between local counties and villages and towns. We will continue to

promote the concentration of construction land in county seats, drive the concentration of industrial and producer services in county seats, and accelerate the transfer of agricultural population to county seats. The diversification of rural industries requires giving full play to the spatial advantages of the county's "urban tail and rural head", promoting the development of local rural industries through the optimization of the county's economic layout and structure, and realizing the coordinated upgrading of urban and rural industrial structure and industrial integration development, making the urban and rural spatial layout more reasonable, the industrial distribution more coordinated, and the urban and rural economies interconnected and integrated.

4.2.2. Strengthen the Flow of Factors by Optimizing the Allocation Mechanism According to Factors

First, as far as rural factor resources are concerned, it is first necessary to take the peasants' sharing of more value-added benefits as the starting point and the end point, and increasing the peasants' wages, property, and operational income is the key to the development of agricultural modernization. Secondly, land is the "lifeblood" of farmers, and it is also the resource and carrier of agricultural modernization, so it is necessary to actively promote the integrity and innovation of the land system, stimulate the asset function of land elements, or obtain income through land circulation, and solve farmers' worries about land circulation.

Second, from the perspective of urban factor resources, under the active and reasonable guidance of capital going to the countryside, it can promote the development of rural industries and economies, but it is also necessary to establish a profit distribution mechanism with the participation of capital factors, and reasonably set the upper limit of profit distribution, so as to prevent farmers' income from being infringed upon. In addition, it is also necessary to actively innovate the rural social management mechanism, and explore the participation of technology, knowledge and other elements in distribution and rural governance, so as to promote the sustainable development of rural areas.

5. Conclusion

By reviewing the history of the evolution of urban-rural economic relations over the past 70 years since the founding of the People's Republic of China, it is not difficult to see that in the process of urban-rural economy moving from relative harmony to dualistic separation and then to integrated development, there is both historical inevitability and historical rationality. The changes in the urban-rural economic relations echo the development proposition of the times and are closely related to the modernization process, which not only serves and supports the different stages of the modernization process, but also changes due to the development of the modernization process at different stages. With the gradual implementation of the rural revitalization strategy, the integration of urban and rural economy and Chinese-style modernization have gradually achieved internal unity.

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