

Path selection and countermeasures of guiding private enterprises to participate in rural revitalization strategy

Yongxin Zhou

Xuzhou Open University, Xuzhou, 221000, China

Keywords: private enterprises; rural revitalization strategy; path selection and countermeasures

Abstract: If the strategic opportunity of rural revitalization is organically integrated with the strong strength and investment willingness of the private economy, it will certainly help to resolve the contradictions and confusion between "small farmers" and large markets, "hollowing out" and counter-urbanization and other series of rural development. The influx of private capital to agricultural and rural areas has been accelerating, and the growth rate, proportion and total amount of agricultural private capital across the country have been continuously increasing, and it has become a new force for rural revitalization and modern agricultural development. As the most active participants in the market economy, private enterprises play a pivotal role in stimulating the economy, contributing to taxation, and solving employment. It can be said that the development level of the private economy has boosted the level of my country's economic development to a certain extent. It is necessary and feasible for private capital to participate in the rural revitalization strategy, but it lacks the enthusiasm to participate at present, because the private capital investment and financing environment is not good, the guarantee is insufficient, and the guidance is not enough. As an important force in my country's social and economic development, private enterprises and private entrepreneurs should show a sense of urgency that no one can wait and become the backbone of rural revitalization.

1. Introduction

Since its inception, the private economy has been participating in the development of agriculture and rural areas. Whether it is the growth rate of agricultural private investment, or the proportion of agricultural private investment in all private investment is constantly rising [1]. For a long time, the rural ecological environment has been worrying and the facilities are backward, which has affected the improvement of the quality of life in rural areas. "Keep the green mountains and clear waters, remember to live with nostalgia", which is consistent with the "ecological livability" in the rural revitalization strategy. To this end, we actively cooperate with the local government to lead rural revitalization with ecological civilization [2]. The implementation of rural revitalization is one of the important strategies proposed by the 19th National Congress of the Communist Party of China. There is a strong demand for continuous investment. Any work cannot be done without the support of funds. It is very urgent and necessary to promote the diversification of investment subjects, financing channels, and investment methods by using a small amount of financial funds as the guide to make a large number of private capital participate in rural revitalization [4]. If the industry is not prosperous and farmers have no money in their pockets, it is impossible to achieve rural revitalization [5]. With industrial revitalization, rural revitalization will have a foundation. At present, the phenomenon of rural hollowing out is serious, and a large number of rural people go out for employment [6]. Allowing farmers to go home, realize jobs, employment, and entrepreneurship at their doorsteps, and then attract more successful people to give back to their hometowns. How private enterprises can improve their management, promote their strengths and avoid weaknesses, deeply participate in the rural revitalization strategy, and explore rural characteristic industries, has become a major issue for the development of private enterprises. At the same time, using the theory of enterprise strategic management to analyze the boosting role of private enterprises in rural revitalization also has strong practical significance and theoretical value [8].

2. The background of private enterprises participating in the rural revitalization strategy

2.1. Private capital and rural revitalization

Private capital, also known as "social capital" or "non-government capital", is the sum of physical capital, human capital and relational capital owned or mastered by private enterprises and citizens in a country or region. It can be said that the concept of private enterprises was born in the process of my country's reform and opening up, along with the reform of the economic system [9]. Experts and scholars have different definitions of the concept of private enterprises, which can be roughly divided into two categories: one group believes that non-state-owned enterprises are private enterprises, and the other group refers to all non-public enterprises as private enterprises. National private capital contributes more than 60% to GDP and 65% to technological innovation. Private capital has participated in more than 70% of enterprises, creating 85% of new jobs and injecting strong vitality into economic development. Encourage the establishment of environmentally friendly enterprises in rural areas and the cultivation and development of family farms, cooperatives and leading enterprises. Therefore, giving full play to the role of private enterprises, especially mobilizing the enthusiasm of enterprises that are suitable for rural economic development and can tap rural characteristic industries, determines the phased results of the rural revitalization strategy [10]. In the long run, the development and growth of private enterprises and the implementation of the rural revitalization strategy can be said to complement and promote each other. The rural revitalization strategy is a long-term and huge systematic project. To promote the priority development of agriculture and rural areas, and to promote the deep integration of urban and rural areas, it is inseparable from the support of a huge amount of funds. It is necessary to innovate the source of funds for the rural revitalization strategy, revitalize idle private capital, and establish a stable and reliable. Fund raising is put into operation mechanism to enhance the stability and continuity of funding sources. After the rural revitalization strategy was put forward, many experts and scholars believe that private enterprises will usher in the spring of development and will certainly make a difference in rural revitalization [11].

The theory of public choice believes that people are rational "economic people" who, like governments, have their own private interests. The huge power of the government will make it produce inefficient public goods in rent-seeking and corruption, which will lead to the failure of the government. It is necessary to seize the opportunity, speed up its own transformation and upgrading, and devote itself to building a new socialist countryside with strong agriculture, beautiful countryside and rich farmers. However, at present, the research on the relationship between private enterprises and rural revitalization mostly stays in the aspects of expert commentary and media reports, and there is little in-depth theoretical research. There is still no substantial "breakthrough" on how private enterprises participate in the rural revitalization strategy. The provision of public services by citizens can optimize government functions, promote effective cooperation between the government and the market, promote the internalization of the economic externalities of public services, and greatly improve the quality of public products and services.

2.2. Status Quo of Private Enterprises Participating in Rural Revitalization Strategy

Rural revitalization is a major strategy that benefits the people today and will benefit the future, and requires huge financial support. Due to the influence of the international and domestic economic situation, Henan Province is under great pressure to adjust the structure and change the way. The increase in fiscal revenue has been offset by the increase in fiscal expenditure year after year, and the growth rate of fixed asset investment has stabilized year by year. The most direct way for private capital to support agricultural and rural development is to set up agricultural enterprises. Agricultural enterprises participate in the pre-production, production and post-production stages of agriculture, and promote the process of agricultural modernization in terms of large-scale planting, agricultural mechanization services, agricultural product processing and circulation, etc. At the same time, it also plays a positive role in extending the agricultural industry chain, promoting farmers' income, and improving the level of rural infrastructure. The rural revitalization strategy directly involves investment in fixed assets and infrastructure construction. The gradual

stabilization of these two investments in recent years and the increase in fiscal expenditure year after year have brought financial pressure to the implementation of the rural revitalization strategy. In general, private enterprises headquartered in large and medium-sized cities, large-scale enterprises, and highly educated entrepreneurs agree more with the strategic meaning of participating in rural revitalization, are more optimistic about the potential of rural development, and are more willing to participate in rural construction.

Compared with the huge organizational system of state-owned enterprises, private enterprises have centralized management rights and flat organizational structures, which are more efficient in the selection of corporate strategies, which is conducive to making scientific development plans. The large agricultural province has rich agricultural resources and a broad agricultural market, which provides a unique development environment for the growth of leading agricultural enterprises. The active private investment and convenient transportation in coastal areas are conducive to the growth of private enterprises and the trade of agricultural products. The promotion of the rural revitalization strategy is not a one-man show of the government. It is necessary to expand financing channels through various channels and methods to attract private capital to actively participate. In recent years, in order to vigorously promote the rural revitalization strategy of the United States, Henan Province has done a lot of work in introducing various private capital and actively created a healthy and orderly business environment, but the funds raised are very small. Private enterprises have a small production scale, and can fully participate in market competition within their business scope, capture more business opportunities, discover and tap market demand, and can adjust strategies in a timely manner as needed to enter or exit a certain business field. Therefore, private enterprises are more likely to find opportunities in rural revitalization and make a difference.

3. Problems and paths in guiding private enterprises to participate in the rural revitalization strategy

3.1. The problem of guiding private enterprises to participate in the rural revitalization strategy

The government's financial resources are limited, and financing leverage is not very effective. In recent years, affected by the world economic situation, domestic environmental protection policies, industrial policies and its own economic structure, Henan's economic growth still has room for improvement. Most of the annual increase in fiscal revenue is used to improve people's livelihood and control the environment. The amount of funds is small, the total amount of fiscal funds used for rural revitalization is insufficient, and the growth is slow, and the government cannot play a good role in financing leverage. The depth of private investment in agricultural development is not enough, and the enthusiasm for entering the agricultural field has not been effectively exerted; on the other hand, it also reflects that the agricultural field may face greater barriers to entry, and the scope of access, investment environment, and policy environment need to be further optimized. . Single input channels and insufficient financial innovation. At present, the vast majority of funds used for rural revitalization in Henan come from finance at all levels and various types of transfer payments. Considering that the investment cycle of rural revitalization is too long, banking financial institutions are reluctant to grant credit. In addition, the current development of my country's financial industry is not mature enough, there is a lack of financial tools with sufficient quantity and high flexibility, it is impossible to expand financing tools, and it is impossible to improve the financing credit and liquidity of rural revitalization. The financing method is backward, the financing method is traditional, and the financing efficiency is low. Insufficient financial innovation makes it difficult to raise sufficient funds.

At present, the integration of agricultural enterprises and the development of modern agriculture is not close enough, which is mainly reflected in the connection of the secondary and tertiary industries, the lack of unified planning in the planning of the whole industry chain, the investment in the whole factor chain, and the pursuit of the whole value chain, which affects the integration of

agricultural production, supply and marketing. , One-stop upgrade of trade, industry and agriculture. The pattern of equal benefits for farmers and leading enterprises has not yet been formed. Reasonable guidance for private investment and financing is not enough. The government and relevant departments failed to explain the channels and methods for private capital to participate in rural revitalization, and did not explain clearly the access conditions, rules and regulations, and contract rules for investment and financing. to rural revitalization. Some social capitals intervene strongly by virtue of their financial advantages and influence on the government, and farmers often accept them passively, lacking the right to participate in planning and the right to share and negotiate benefits.

3.2. Paths to guide private enterprises to participate in the rural revitalization strategy

Use various methods and channels to attract private capital to participate in rural revitalization. The government should conform to the trend of the times and the direction of historical development, attach importance to private capital, trust private capital, treat private capital well, place private capital in the status of "national treatment", and guide and regulate private capital with an open attitude and inclusive thinking. , to provide projects with relatively good economic benefits to private enterprises, increase the expected return on investment, improve the return on investment in rural revitalization, and provide various favorable conditions for private capital to participate in rural revitalization. Guided by supply chain management and the innovation platform as the carrier, guide private enterprises to participate in productive service industries such as seeds and seedlings, equipment and facilities, product brands, cultural creativity, finance and insurance, and gather high-end talents and technologies through the establishment of private scientific research institutions. and facilities, deepen foreign cooperation, and lead rural innovation and development. Brand is the embodiment of an enterprise's core competitiveness and a magic weapon for an enterprise to win the initiative in market competition. The boundary of the interactive development model system of rural e-commerce and rural revitalization is shown in Figure 1.

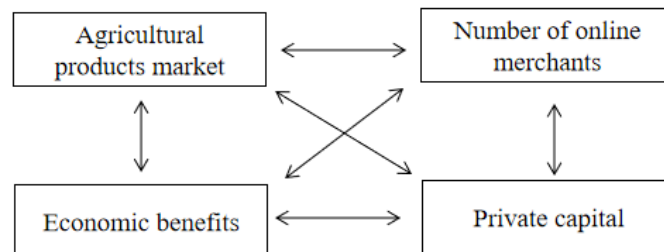


Fig. 1 The boundary of the interactive development model of rural e-commerce and rural revitalization

The building of agricultural brands is the key to the realization of agricultural modernization, the need for rural supply-side reform, and the source of farmers' incomes and wealth. The government must consider the overall situation, adhere to the overall situation, make a rational layout and planning, scientifically standardize decision-making, improve the overall design, abide by the contract rules, and maintain the unity, stability and continuity of policies. The key for private enterprises to help the revitalization of rural industries lies in adapting measures to local conditions, giving full play to the advantages of local resources, and on the basis of developing the rural collective economy, focusing on "one village, one product", cultivating and creating agricultural products with local characteristics, and excavating characteristic services rich in humanistic elements. Formation of geographical indications for agricultural products. The government must correct its attitude, change its role, and change from the main body of responsibility to the main body of policy incentives. The theoretical model of the scientific and technological support path of the rural revitalization strategy is shown in Figure 2.

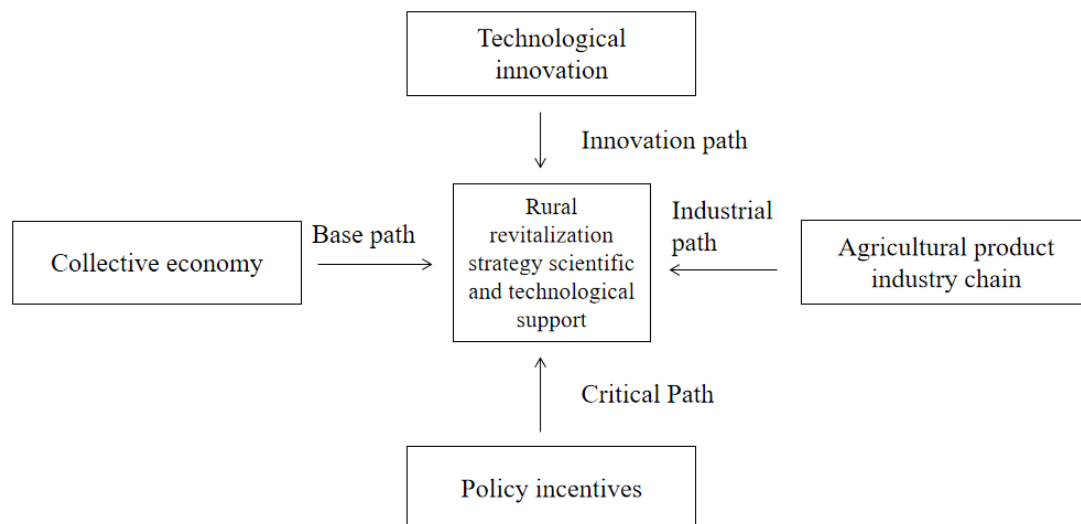


Fig. 2 Theoretical model of the scientific and technological support path of the rural revitalization strategy

The innovation of the organizational model is to organically combine the elements of land, capital, technology and management through different forms of production organization, and finally realize the scale and economical production in a certain area. For example, companies + farmers, cooperatives + farmers, etc. Encourage commercial banks and private banks and other small and medium-sized financial institutions to provide a variety of financial services for private capital to participate in rural revitalization, and provide more favorable monetary policies such as re-lending and re-discounting for private capital investors.

4. Conclusions

The rural revitalization strategy provides enormous power, space and broad prospects for the operation of private capital. The rural revitalization strategy is a major decision related to hundreds of millions of farmers in my country. Encouraging and mobilizing the forces of the whole society to participate in rural revitalization is a strategic deployment for a long time in the future. Private capital has strong strength, large scale and various forms. Its participation can promote the integration of the competition mechanism and the exertion of the catfish effect. It is an effective method and approach to solve the financial difficulties of rural revitalization. It is completely feasible and necessary in theory. Although private enterprises have their own shortcomings in their development, if they seize the advantages of this policy and identify the point of strength, they will be able to contribute to the revitalization of rural industries while strengthening themselves. The government should be committed to the establishment and improvement of private capital guarantee institutions and the improvement of the private capital investment and financing environment, broaden the private capital investment and financing channels, create a bright investment prospect, reduce the burden of taxes and fees, improve the private capital investment and financing system and legal system construction, and strengthen the multi-level investment and financing system. The improvement of the regulatory system and policies can effectively prevent capital risks and provide guarantees for the lasting effect of private capital.

References

- [1] Crepelle A. Decolonizing Reservation Economies: Returning to Private Enterprise and Trade[J]. J. Bus. Entrepreneurship & L., 2019, 12: 413.
- [2] Kung J K, Ma C. Friends with benefits: How political connections help to sustain private enterprise growth in China[J]. Economica, 2018, 85(337): 41-74.

- [3] He Z. The evaluation method of the integration degree of legalization and scientization of voice technology in private enterprise management decision making[J]. *International Journal of Speech Technology*, 2021: 1-8.
- [4] Li J, Liu W, Yuan D. Private entrepreneurs of Communist party members and corporate social responsibility: Evidence from Chinese private enterprise survey[J]. *Theoretical Economics Letters*, 2020, 10(3): 635-654.
- [5] Vu T M, Yamada H. Convergence of public and private enterprise wages in a transition economy: Evidence from a distributional decomposition in Vietnam, 2002–2014[J]. *Economic Systems*, 2020, 44(1): 100737.
- [6] Zhen W, Li J, Zhang M, et al. A case study on R&D investment of technology-intensive private enterprise in Sichuan Province of China[C]//*International Conference on Management Science and Engineering Management*. Springer, Cham, 2020: 647-662.
- [7] Chen Z, Wang Q, Dou C, et al. Government background customers and private enterprise innovation from the perspective of supply chain risk transmission[J]. *Sustainability*, 2020, 12(8): 3193.
- [8] Carden A, Castello S, Priday B A. Religious Freedom and Private Enterprise[J]. *Journal of Private Enterprise*, 2020, 35(Summer 2020): 47-59.
- [9] Fan S. Private Enterprise Identity and Corporate Financialization[J]. *Foreign Economics & Management*, 2021, 43(09): 102-117.
- [10] Mangan M. Public Transportation, Private Enterprise[J]. *Institute of Transportation Engineers. ITE Journal*, 2019, 89(6): 18-19.
- [11] Ji H, Zhang R. The Impacts of Social Capital on Private Enterprise Investment: An Empirical Study in East China Coastal Cities[J]. *Journal of Coastal Research*, 2019, 94(SI): 930-934.