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# Research on Supplying Mechanisms of Rural Economic Able-person in Construction of New Countryside

—Based on the Phenomenon of Intelligence Returning in Under-developed Agricultural Plain Area of Henan

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**Abstract** From a perspective of the discussions on researches of economic able-person by researchers at home, it can be concluded that economic able-person has become the important mode promoting rural development. The research makes a discussion on the rural intelligence returning theory and points out that as a marketing action, rural intelligence returning functions directly and effectively on the supplying to rural economic able-person. The research also makes an analysis of the supplying mechanisms of rural able-person intelligence returning of the under-developed agricultural plain in Henan province. And results show that transferring of rural surplus labors takes place among provinces; farmers accelerate in returning to hometowns to make money and returning phenomena would tend to be normal. With more and more popular the intelligence returning phenomenon in rural areas, the under-developed agricultural plain in Henan province would make enough profits.

**Key words** Rural economic able-person, Rural intelligence returning, Supplying, Under-developed agricultural plain in Henan Province, China

Rural economic able-person who becomes more and more popular during the process of rural reform and development plays more and more important role in leading farmers to be richer, perfecting the agricultural production structure and improving farmers' incomes and so on. Able-person economy has become the important mode in developing countryside and promoting the transmission of the society from the traditional one to the modern one. In recent years, with the transferring of rural labors, larger and larger support of problems about agriculture, rural areas and peasantry and the operation of new-type countryside construction policies, able-person economy have been once more activated. Able-person will be the breakthrough in shaping new-type peasants, cultivating peasantry enterprises, developing modern agriculture and constructing new-type countryside. So under this circumstance, how to realize the efficient supply of rural able-person economy becomes more and more important.

## 1 Literature review

Rural economic able-person usually refers to people who are well-performed in economic development of new-type countryside in new period<sup>[1]</sup> or people who are pioneers in managing business and become rich in rural areas with the operation of reform and opening policies<sup>[2]</sup>. In this research, rural economic able-person, the new-type of rural able, may gain all kinds of economic supports as much as possible and realize the special interests which cannot be reached by others. Such definition can reflect the objective nature of economic able-person that they are born to find and realize the potential interests. What the

definition putting emphasis on is mainly the economic abilities which are skills in gaining special interests as much as possible in traditional society. The economic abilities are similar to the versatile of common enterprises in present marketing society.

About the Supplying Problems of Rural Economic Able-person According to HUANG Zhijian, the contribution degrees of potential peasants, policies and support of local government, local social customs and encouraging policies are viewed as the main subjective and objective factors influencing farmers becoming the economic able-person in rural areas<sup>[3]</sup>. In PENG Guangrong's research, the appearance of rural economic able-person in China is the inborn evolution result of marketing reform and economic structure transferring. According to his statistics, there is little generation of able-person from 1979 to 1982; from 1983 to 1992 are the most abundant in generation of able-person; and since 1992<sup>[2]</sup>, quantity has dropped back. And in LU Fuying's research, there are similar opinions. GAO Fan<sup>[4]</sup> in his research shows the importance of the polarization and evolution of peasants, the investment, the inborn evolution of marketing reform and economic structure transmission from a perspective of supplying of new-type peasants. PENG Guangrong proposes several measures in his research from a perspective of government on how to improve the development of economy and make it differentiated from others<sup>[2]</sup>. Some researchers also agree with opinions that to realize the supplying of new-type peasants through training and education<sup>[3]</sup>. In FU Zhangang's research, many peasants transferring from farmers to rural economic able-person by social dynamic learning or training and practicing creation in local economic construction<sup>[5]</sup>. HUANG Zhijian makes an analysis on the systematic factors which influence the up-growing of rural economic able-person and concludes the management methods on

how to succeed in cultivating farmers to be economic able-person<sup>[3]</sup>. From a perspective of the formation ways of labor capitals, investment on education, health and inner labor transmission are usually taken into consideration which is beneficial to the supplying of rural economic able-person. In addition to these, PAN Chenguang, *etc.* make theoretical and empirical researches on features, qualities, scales, types and multiple functions of rural economic able-person<sup>[6]</sup>. Searching materials centered on key words rural economic able-person, people may find out that there are many local reports about the phenomena and functions of rural economic able-person and explorative articles on how to cultivate rural economic able-person.

Through above analyses, two mechanisms both inner and outer in shaping rural economic able-person can be concluded. However, the improvement of abilities is not easy. Without inner qualities and motivations and government shapes rural economic able-person by force, results may become wasted efforts. Comparatively, results would be better if the shaping modes are based on the inner rules of structures evolution of human being and outer guide. Therefore, the marketing mechanisms of rural economic able-person supplying will become the research trend in future with multiple angles. At present, with the large transmission of the surplus labors in the underdeveloped agriculture plain in Henan Province and flourishing construction of new-type countryside, intelligence backflow in rural areas has become an important economic phenomenon. Guided by moderate polices, whether intelligence backflow will become the new supplying mode of rural economic able-person is the main topic of this research.

## 2 Rural intelligence backflow theory and efficiency analysis of which on rural economic able-person supplying

**2.1 Rural intelligence backflow theory** Rural intelligence backflow is a concept corresponding to rural intelligence outflow and labors transmission. It broadly refers to the process during which all kinds of intelligent carriers brings back the intelligent resources gained from in other environments to rural areas through human being or other routines, including knowledge, experience, technique skills and information. In narrow ways, rural intelligence backflow refers to the process during which human being, the carrier of intelligence, bring back the intelligence resources to rural areas and put into practice in rural construction<sup>[7]</sup>. The frequently used mechanisms at present are the analyses of pull-push and hindrances. In terms of the complicated motivations of intelligence backflow, the analyses put more emphasis on the rational comparisons of profits between economy and society. Although intelligence backflow are not beneficial to the transferring of rural residents to the urban areas to some degree and influences the scale land operation, more researchers and politicians pay more attention to the positive influences on the development of countryside and agriculture. Influences brought by intelligence backflow are specified as follows: firstly, it cultivates and produces a series of advanced farmers, covering rural able and enterprises and so on;

the second is that it creates employing mechanisms with marketing centered and offers new jobs to further transfer surplus labors in rural areas; the third is that through the flowing and rearrangement of resources, the local resources distribution are improved and local comparative advantages are activated to accelerate the development of pillar industries, modernization and industrialization of agriculture. And at the same time, the local economic structure are also upgraded; the last is the marketing progress of underdeveloped areas are accelerated though the penetration of marketing concepts and finally progresses of rural industrialization and urbanization are also accelerated.

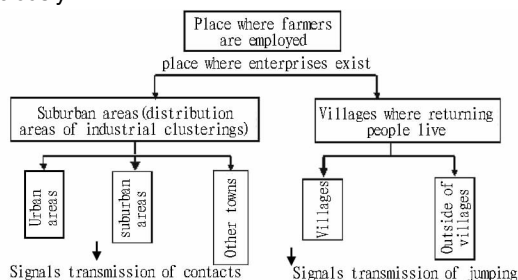
### 2.2 The efficiency analyses of rural intelligence backflow on the supplying of rural economic able-person

During the process of out-flowing, the backflow intelligence body has accumulated many kinds of energies which then scattered among rural areas or other main parts where lack of resources when backflows. To the rural economic able-person, the efficiency can be classified into two types. They are efficiency on rural economic able-person themselves and doubled efficiency on others.

**2.2.1** Supplying efficiency of rural intelligence backflow on rural economic able-person. According to types of rural intelligence backflow, the supplying efficiency of rural intelligence backflow on rural economic able-person can be further divided as follows: to those educated non-peasants who flourish to countryside in a short or long term, the research defines them as able; to people who are managing type of intelligence backflow can be defined as economic able-person no matter what their census registers are for their long-term urban background and obvious identity in city. To people who are foundation intelligence backflow can be defined as rural economic able. Although they may acquire abilities as much as possible during the process of employees in city, their identities cannot be changed and can only be identified when return to hometown to manage business or get certifications. To those who are identified-to-be can be defined as the potential rural economic able-person, excluding people who are limited in abilities, only those who are not identified just because chance. Besides, the information backflow in broad sense do not have the direct efficiency of able supplying; to people who are migratory type, if they return to hometown for business, they can be defined as economic able. Or they do not have direct efficiency either. Therefore, only the intelligence backflow who aims at managing business offer direct supplying efficiency. In fact, managing type also has the similar function. However, to the potential rural economic able can be identified at once when comes appropriate chance.

**2.2.2** Doubled efficiency of rural intelligence backflow on rural economic able-person supplying. Based on multiplier, the multiple efficiency of rural intelligence backflow on rural economic able-person supplying can be defined as the radiation influences of the premier on the later. This efficiency is not only the efficiency of rural intelligence backflow on rural economic able-person themselves, but also the strong demonstration and the accelerating efficiency of rural intelligence backflow contributed by peasants in China. The efficiency specifically includes abilities, potential profiting chance, material capital and the radiant efficiency of social environment and so on. Different types of backflow have different efficiencies.

**2.2.2.1 Ability radiation efficiency.** Radiation efficiency of abilities refers to deliberate or in-deliberate influences brought by intelligence of rural backflow on other bodies in rural areas or in other words, the radiation of labor capitals. Regardless the direct efficiency of backflow, different degrees of labor capital will be scattered, or skills will be transmitted and management skills will be widespread, or eyes are broadened, thoughts are transformed or qualities will be improved and so on. The radiation processes of labor capital, especially the economic able and rural economic able, reflected on the spatial profile and industrial chain profile (mainly the scattering of techniques), cluster on counties (Fig.1). The region in which people returning to manage business is the starting and ending space of labor capital scattering. Because of local adjacency, the region the industrial park in and villages the companies in are the first place scattered with labor capital; at the same time, workers in enterprises left and manage business at home resulting prancing transmission of labor capital that capital transfers from the original place to other counties, towns and villages. With the extension of industrial chain, labor capital extends also. And the spatial separation of production flowchart is the basis of the transmission of labor capitals accompanied by the extension of industrial chain. However, the wide spreading of management experience are usually unconscious which takes place under demonstration function and influences other management staffs unconsciously.



**Fig.1 Space routines of labor-capital transmission**

**2.2.2.2 Radiation efficiency of potential profiting chance.** Radiation efficiency of potential profiting chance refers to expansion of the potential profiting chance formed by the efficiency and relative efficiency generated by enterprises which are founded by the flowing-back rural economic able, and influences on the local natural environment, social environment and humanistic environment. This kind of efficiency is usually formed by the horizontal and hierarchical extension of the newly founded enterprises. And secondary it is because the influences of newly founded enterprises on the surroundings that lowers down costs and generates new investment chance.

**2.2.2.3 Radiation efficiency of material capital.** Material capital Radiation efficiency refers to the processes of material capital scattering and expanding<sup>[8]</sup>, which can be classified into two parts. One is the flowing of material capital in the period of enterprises establishing. And the other is the material capital scattered among behavioral entities or organizations, even including local villagers living where the enterprises are in. Expansion routines are complicated (Fig.2). Some are transmitted to business field through friends; donation on publicity in local is also one of material capital transmission methods; taxes brought by enterprises levied by local government are also the

potential expansion routine.

**2.2.2.4 Social environment radiation efficiency.** Social environment radiation efficiency refers to the positive influences of intelligence backflow on all kinds of environmental factors in surroundings. Such as improvement of infrastructure, comfortable policies, beneficial policies, social relationship changes, modernization and marketing atmosphere formed by changes of moral values and life style. This kind of efficiency is more beneficial to abilities scattering and realization of potential profiting chance. Of course, it plays an important part in the scattering of material capital.

### 3 Possibility analyses of rural intelligence backflow supplying mechanisms on rural economic able-person in underdeveloped plains in Henan Province

To be a economic able-person, people should be qualified with abilities to find and realize the potential profiting chances as many as possible and gain abilities to realize special interests. And what's more potential profiting chance should exist. If there is only the premier, then rural economic able-person cannot be identified and at most at a potential stage. And of course the needs for rural economic able-person are based on the existence of abundant profiting chances needed to be dug out and realized. Therefore, if there are rural intelligence backflow in underdeveloped agricultural plain in Henan Province, the generation conditions of rural economic able-person are qualified and there are certain demands, rural economic able-person can be easily generated through rural intelligence backflow.

**3.1 Transferring of rural surplus labors and general conditions of intelligence backflow** By the end of 2006, there have been 46.05 million rural labors in Henan province with more than a half remaining. Surplus labors are clustered in the underdeveloped agricultural plain, such as Zhoukou, Puyang, Shangqiu, Luohe and Xuchang and so on, averaging 200 people per square kilometers. Among which, Zhoukou are the most in surplus labors. According to the main data communiqué of Henan in 2007, migrant workers from rural areas in 2006 are 11.48 million with people who work out of towns but in counties covering 16.5%, people who work out of counties but in cities covering 12.4%, people who work out of cities but in provinces covering 12.2% and out of provinces covering 59.0%; people who are at the primary industry cover 2.3% of the total; people who are at the secondary industry cover 58.0% of the total; people who are at the tertiary industry cover 39.7% of the total. According to data from labor capital and social security hall in Henan Province, by the end of 2010, there have been 23.63 million surplus labors are transferred, newly increasing by 1.05 million with 11.42 million people transferred in province, covering 48.33% of the total; there have been 12.15 million people transferred out of provinces, covering 51.42% of the total; compared to 2009, transferring of labors in provinces have increased to 1.23 million, increasing by 12.07%; compared to 2007, transferring of labors in provinces have increased to 4.90 million, increasing by 75.16%.

It can be concluded that transferring of labors is dominated with transferring in province. Agriculture has not yet become the new industry absorbing surplus labors because the rapid de-

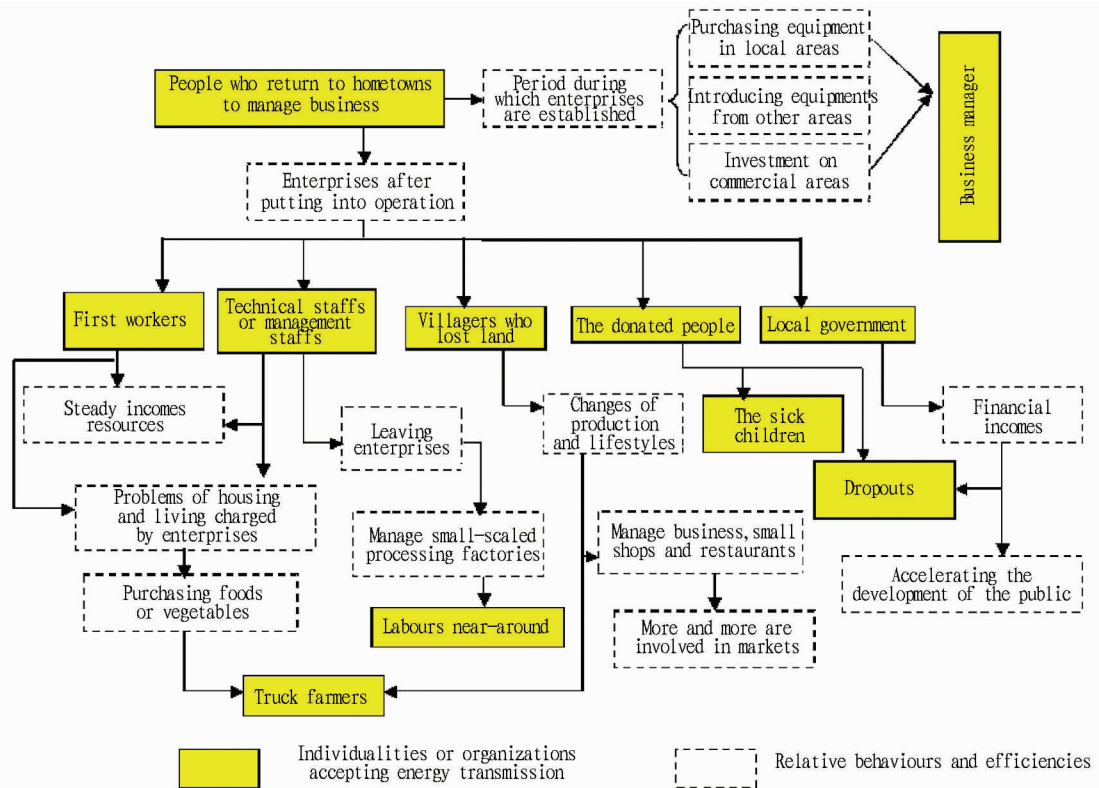


Fig. 2 Radiation routines of materials capital

velopment of economy has attracted abundant labors returning to hometown to be employed or manage business near around. In fact, the flowing of peasants around city is only a routine to broaden eyes, to increase incomes and improve abilities. Returning to manage business or transferring in local areas have already become new phenomena of surplus labor transferring, which are pushed by city and pulled by agriculture. And these phenomena are well accepted by academics and local governments. Although it is phased, backflow has been existed for a long time accompanied by the transferring of rural surplus labors. According to the surveys done by Development Research Center of the State Council in 2007 on 310 villages and 3 026 peasants who return to hometown to manage business, it can be concluded that the back-flowing peasants are 37 000, covering 23% of the total peasants going out for jobs and 10% of the total rural labors. Among which, people who return to manage business in hometown cover 16.06% of the total back-flowing peasants<sup>[9]</sup>. People who return to manage business in hometown only cover 4% before 1990; from 1990 to 1999 only covers 30.6% and after 2000 is 65.4%. Since 2003, people returning to manage business in hometown have already covered 43% of the total backflow. It is clear to all that people returning to manage business in hometown become faster and faster in speed. According to some statistics, people who returning to hometown to manage business have reached 660 000 in Henan Province. Among which, the founded enterprises are more than 153 000 with total output more than 60 billion RMB a year and offering jobs for more than 2.8 million rural labors near around. The key problem at present is how to create a good rural environment to attract more people returning back to hometown and activate rural economy to free the space of jobs in rural

areas. At the same time, according to the judgments on transferring attitude, the transferring of surplus labors in underdeveloped agricultural plain in Henan Province has stepped into the second stage that backflow phenomenon tends to be normal.

**3.2 Needs for rural economic able under the background of labor transferring** Needs for rural economic able-person are with the premise of large potential profiting chances; the potential profiting chance is the key to identify the rural economic able-person. Therefore, with the appearance of intelligence backflow and becoming more and more popular, the underdeveloped agricultural plain in Henan Province is enough in potential profiting chance. On one hand, the chances offered by the transferring of surplus labors for agriculture have not yet completely transformed to the practical development of agriculture because of some bottlenecks; on the other hand, it owes a lot to beneficial policies, such as policy of the urban feeding the rural, construction directions of new-type rural areas and all kinds of other compensation on the development of rural areas and so on.

Henan is the largest agricultural province represented by the underdeveloped agricultural plain, which is in scattered management at present. Planting structures are centered on wheat, corn and rice; in terms of agricultural techniques, oil agriculture is typical that inorganic fertilizer, synthetic pesticide and medium-sized agricultural machine are widely used; in terms of land property, structure of which becomes more and more perfect with appearance of flowing; in terms of organization forms, dual operation systems are still dominated and modern new-type agricultural organization is still backward in development; in terms of agricultural product markets, scattered peasants have no ability in pricing agricultural products and face

large market risks. Although theoretically and practically the transferring of surplus labors is the basis of agricultural development, chances brought by the transferring at least have not been transformed to be practical to the development of agriculture at present and face a lot of difficulties, such as weakened impetus of agricultural management, lowered efficiency in agricultural resources usage, weakened creation ability of farmers, assimilation of agricultural regions and obvious domination of oil agriculture and so on. In order to change these phenomena, it is necessary to reform the technical conditions, the property structures and the organization forms of agricultural management and to realize industrialization and modernization of agriculture. And all kinds of beneficial policies by government are also needed. So during the production processes of previous, producing and after in terms of agricultural production, communication, sales, consumption and services, there will have many potential profiting chances being realized.

Besides these, with the strengthening of urbanization and operation of the state rural policies, rural images, life styles of peasants, styles of actions, thoughts and consumption must be changed. All of which calls for punctuate supplying of public rural infrastructure, new-type rural education, medical insurance, technical and information equipments. Housing, household appliances and leisure services are also required. There will also appear a series of potential profiting chances among fields of rural publicity and private equipments. At the same time, the rapid urbanization of Henan and the transmission of southeastern industries would create more needs.

## 4 Conclusions

The economic supplying mechanisms do not devoid of oth-

(From page 140)

analytical method. In practice, if there are enough data, we can also this model to predict drought situation of orange and other crops in other regions. But there are shortcomings in the research as follows: firstly, the established model basically is stationary, and if we use this model to conduct continuous dynamic monitoring on relevant indices of orange drought and pay attention to analyzing the developmental change trend of prediction value, then it will be more practical; the research adopts linear model, but doesn't use time sequence model, non-linear polynomial model, logarithm model. By constructing non-linear model, we can promote prediction accuracy.

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er supplying mechanisms in rural construction. The research discusses the feasibility of the mechanisms and possibility to activate this kind of mechanism. A sustainable way in developing agriculture is to transform the functions of blood transfusion to functions of hematopoiesis formed by the premier transfusion. Of course, this is a task for current government.

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