Research on the Mechanism, Influence and Countermeasure of the Integration of Three-industry in Rural Areas of Hubei Province on Farmers' Income

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Abstract. The integration of rural three-industry is a new growth point for the economic development of peasant villages. From the trend of farmers' income in Hubei Province, combined with the development of the three-product integration, the mechanism of the impact on farmers' income increase is considered to be the integration of rural three-industry in Hubei Province. There are still many unfavorable factors influencing the growth of peasants' income, and targeted measures such as cultivating leading enterprises, establishing a complete interest linkage mechanism, strengthening infrastructure construction, and cultivating industrial integration talents to accelerate the three rural industries. Integration provides a source of power to increase farmers’ income.

The Introduction of the Problem

With the development of China's social economy, agricultural development is facing the pressure, and the lack of income growth of farmers has become a major problem in achieving the priority development plan for agriculture and rural areas. Following the issuance of the No. 1 Document of the Central Committee in 2019 proposed to vigorously develop modern agricultural products processing industry and improve the interest linkage mechanism for the integration of rural tertiary production, so that farmers can more share industry value-added income. The integration of rural tertiary production will become a growth point to promote rural economic prosperity and help farmers increase their income. It will be able to break the current difficulties encountered by the three rural issues and promote the rapid and steady growth of farmers' income.

Experts and scholars have a wealth of research from different angles on the issue of rural three-product integration. Xiong and Zhang (2019), from the perspective of the business entity of the three-product integration, believe that different entities will adopt different models according to their own circumstances, and propose to extend the industrial chain and promote industrial integration[1]. Chen et al. (2019), through field research and empirical analysis, showed that the new agricultural subjects played an important role in the integration and development of rural industries, and proposed relevant countermeasures based on the research conclusions[2]. Liu et al. (2018) conducted an in-depth analysis of the problems existing in the integration of rural three-industry in China, and combined with the experience of Japanese development, proposed a proposal for the integration of domestic industries, such as agriculture as the core and market-oriented protection of the main body of the business[3]. Wang Guiduo (2018) used case studies to empirically analyze the concentrated mode of industrial integration and the problems encountered in the development process[4]. The analysis of Zhang and Lii (2018) on the integration of rural tertiary production shows that the integration of three industries can improve the agricultural interest chain through the integration of advanced elements, integration within the agricultural industry, and cross-integration, which can increase the income of farmers' family business[5]. Ren and Deng (2019) analyzed the relationship between the integration of the three industries and the property income of the peasants, and proposed the introduction of support policies and the development of rural finance to improve the role of the integration of the three industries in the income of farmers[6]. On the whole, there are
many studies on the integration of rural three-industry in the academic circles, but there are not many studies on the problems of the three-product integration to promote the increase of farmers’ income. It is a useful supplement to study the constraints of rural three-product integration on the increase of farmers’ income from the level of Hubei Province.

The Present Situation of the Integration of Three Industries in Hubei Province and the Analysis of the Mechanism of Increasing Farmers' Income

The Current Situation of the Development of Rural Three Industries

In recent years, Hubei Province has promoted rural economic development with industrial integration, and guided the transformation and upgrading of traditional agriculture to modern agriculture around green ecological agriculture. Hubei Province insisted on starting from the countryside, combining industrial integration development with urbanization and promoting new urbanization. At present, the extension of the rural industrial chain has made the agricultural production service and agricultural product processing industry in Hubei Province have a great degree of development, and has made significant contributions to the rural development of Hubei Province. Through the implementation of the "Internet + Agriculture" project, the Internet and agriculture are highly integrated, and the online sales model of agricultural products has become a new channel for agricultural products sales in Hubei Province; the integration of agriculture and tourism, the construction of beautiful villages, leisure and leisure-themed rural tourism The development has become an important path for the integration of the three industries.

Analysis of the Current Situation of Farmers' Income Growth in the Integration of Three Industries in Hubei Province

With the country and the government attaching great importance to the three rural issues, the agricultural development rate in Hubei Province has accelerated, farmers' lives have improve. Since 1995-2017, the per-capita net income of farmers in Hubei Province has maintained a continuous growth trend. In the first half of 2017, the integration of three industries increased farmers' income by about 8.4%. However, in recent years, the growth rate of farmers' income has shown a downward trend, and the farmers’ income-increasing power is obviously insufficient. This indicates that the development of the secondary and tertiary industries is slow, and it is not enough to rely on the increase in wage income of farmers. The increase of farmers' income share in the agricultural interest chain, and the increase of agricultural income can truly promote the growth of farmers’ income.

Analysis of the Mechanism of rural Three Industries Integration to Increase Farmers' Income

The integration of rural three-industry is to integrate economic growth elements into the agricultural sector. In the integration of agriculture and secondary and tertiary industries, it can transform traditional agriculture and breed new economic growth points, involving all aspects of rural social and economic development. On the one hand, rural three-product integration enhances farmers’ income by increasing the utilization rate of agricultural resources. The seasonality of agriculture causes the idleness and waste of resources. The industrial integration of rural areas can enable agriculture to participate as a whole. When it is idle, it can make full use of idle assets and factors, so that farmers can obtain sustainable income. Secondly, rural three industries integration increases the income of farmers by forming a complete industrial chain. The main body of agricultural production and management will link all aspects of agricultural production, connect small farmers with the big market, improve the farmers’ right to speak. Thirdly, the integration of rural three industries also shares the agricultural value-added benefits through the reconstruction of the benefit distribution mechanism. By standardizing the labor remuneration paid by enterprises to farmers in the production link, signing an order contract to agree on the distribution method of follow-up benefits, and returning to farmers according to the sales revenue, farmers can also share the benefits of each link in addition to the basic agricultural income to increase farmers' income. Fourth, the
construction and improvement of the benefit chain of the integration of three industries also act on the agricultural industry, increase the investment in agriculture, improve the efficiency of agricultural production, strengthen the resistance to the natural risks of agricultural production, improve the production and management mechanism of agriculture, improve the rural economic system, and accelerate the process of agricultural modernization.

Analysis of the Impact of Rural Three Industries Integration on Farmers' Income Increase

The Lag of Rural Three Industries Integration Is Not Conducive to the Cultivation of Agricultural Business Entities and Affects the Growth of Farmers' Income

The rural business entities include the operating organizations in the agricultural production chain, as well as the operating organizations that provide various services in the production chain. At present, the integration of primary, secondary and tertiary industries in rural areas is still in the initial stage of development. The number of new rural business entities is small and small. The lack of large-scale agricultural product processing enterprises has a large gap with other enterprises in terms of enterprise scale, product quality and brand efficiency. The leading enterprises in Hubei Province are weak in driving the farmers, the development of related services in rural leisure and sightseeing is slow, the development of service organizations related to farmers' production links is backward, individual farmers cannot participate in the agricultural industry chain. It is difficult to increase the agricultural production income by obtaining the value added of agricultural production.

The Construction of Rural Infrastructure Is Falling Behind, Affecting the Growth of Farmers' Income

In terms of agricultural production, there are still many problems in the construction of agricultural water conservancy facilities, which affect the scale and intensification of agricultural production to a certain extent. The supply of rural construction land, power supply and water supply, and network communication is still weak. The modern circulation facilities such as warehousing, logistics, and supply chain are imperfect. The construction of rural road network is limited to between villages and villages, and it is difficult to meet the huge freight pressure brought about by industrial integration. As far as the current development of rural society in Hubei Province is concerned, most of the rural infrastructure construction does not meet the requirements of industrial integration and development, and lacks supporting facilities that integrate with the first, second and third industries, which in turn affects the income of farmers' agricultural industry chains. Improve farmers' agricultural operating income.

The Interest Linkage Mechanism between Rural and Tertiary Industries Is Loose, Which Affects the Growth of Farmers' Income

At present, the sales of agricultural products in rural areas are still traditionally self-produced and sold. Compared with the shareholding system or cooperative system, farmers' income cannot be guaranteed. The main players involved in the integration of rural industries in Hubei Province are mainly leading enterprises and agricultural cooperatives, and there is no formation of a joint enterprise of agricultural enterprises. There is a cooperative relationship between enterprises and farmers only in the supply and marketing links, which makes it difficult for the profits brought by the development of the secondary and tertiary industries to retain and contribute less to the increase in farmers' income. At the same time, there is no comprehensive and reasonable interest linkage mechanism in the integration of the three industries. The farmers are in a weak position in all aspects of pricing and profit distribution. It is difficult to grasp the right to speak of the distribution of interests, and it is difficult to improve the enthusiasm of farmers for the integration of the three industries. Farmers' agricultural operating income.

The Shortage of Agricultural Talents Restricts the Development of Rural Tertiary Production and Affects the Growth of Farmers' Income

The integration of rural three industries is to integrate the new concept of economic growth...
elements into agriculture. The advanced technology, management experience, business model and other resources can be transformed into talents. In order for these resources to be better integrated into the transformation of agriculture, talent plays a key role. In recent years, the education and training of farmers in Hubei Province is to cultivate new professional farmers, but it is unable to meet the needs of agricultural enterprises and agricultural cooperatives for network operations and management. The introduction of talents is also faced with the embarrassing situation of “not getting into, can't stay”, restricting the demand for talents in the integration of rural three industries development, and facing the obstacles to the development of agricultural enterprises. The stability of the three-product integration is poor, and the interests are not firmly connected. Therefore, it affects the enthusiasm of farmers to participate in integration and reduces the agricultural benefits of rural Sanrong.

Policy Recommendations to Promote the Integration of Tertiary Industry and Increase Farmers’ Income

Cultivate Leading Enterprises

As the builder of rural three industries integration, the new enterprise main body plays an important role in the process of industrial integration. It is necessary to cultivate leading enterprises, promote rural development through leading enterprises, and absorb laborers from the agricultural sector to actively participate in the construction of various links, and promote the integration of simple agricultural products between leading enterprises and farmers to the integration and penetration of the entire agricultural industry chain. Give full play to the advantages of leading enterprises, create local specialty brands, transform from traditional primary agricultural products processing industry to intensive processing, increase the added value of products, and drive farmers to generate income. We will develop service management organizations in the mid-production chain, explore the versatility of agriculture, and develop in leisure and sightseeing, and special culture.

Strengthen Infrastructure Construction

Rural infrastructure is the basis for industrial integration and development. The government must first actively guide the large-scale circulation of rural land and coordinate the solution to the tense situation of infrastructure construction land in the rural three-product integration. Secondly, we must vigorously build a rural freight road network, accelerate the development of rural network communication facilities, and create conditions for the processing of agricultural products, the construction of warehousing logistics, and the rise of e-commerce industrial parks. Guide social capital to participate in the construction of rural three-industry integration infrastructure, provide financial support for infrastructure in rural areas, and activate the social and economic development momentum in rural areas of Hubei Province.

Establish a Variety of Forms of Interest Linkage Mechanisms

Actively guide social capital to participate in the integration of the three industries, establish a risk prevention mechanism, and protect the legitimate rights and interests of farmers. In the production process, farmers can sign purchase contracts with new business entities or purchase shares with production factors such as land. In the form of contracts, “guarantee income+secondary dividends” can enjoy the benefits brought by industrial integration. Guide enterprises to enter the agricultural products e-commerce, leisure and sightseeing agriculture, agricultural products processing and logistics industries, and promote the development of rural areas. Establish a sound linkage mechanism for the interests of agricultural enterprises, and rationally coordinate the distribution of interests between enterprises, farmers and various business entities. Achieve a variety of income growth together, and establish a sustainable growth mechanism for farmers' income.

Cultivate Industry Integration Talents

Set up a talent exchange platform to meet the shortage of talents in the rural three-product
integration through “Internet + talents”, break geographical restrictions, and conduct business management through exchange platforms. At the same time, it is necessary to train vocational skills for farmers and improve the scientific and cultural level of farmers. It will also train technical talents, management talents, and network electric traders to be included in the field of talent training, and cultivate professional talents for industrial integration development. Introduce talents, actively guide college talents, work and do business, farmer experts to return home to start businesses, and lead farmers to the road to prosperity.

References


