

# Research on the Entrepreneurship of Returning Migrant Workers Based on Modern Rural Governance

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**ABSTRACT.** *The 19th CPC National Congress has made a major strategic plan to implement rural revitalization. Returning rural migrant workers are an important force in implementing and advancing the rural revitalization strategy. As China's urban-rural integration progresses in depth, more and more migrant workers return to the countryside to start businesses. Affected and restricted by many factors such as their own entrepreneurial ability, rural entrepreneurial atmosphere, rural social management, venture capital sources, and entrepreneurial risk bearing, returning rural migrant workers face a series of difficulties. Based on the perspective of modern rural governance, improving rural employment system governance, improving rural entrepreneurial culture governance, advancing governance of rural entrepreneurial organizations, increasing governance of rural entrepreneurial funds, and rebuilding governance of rural entrepreneurial risks are actively promoting the modernization of rural social governance systems and governance capabilities. Important measures to effectively promote the return of rural migrant workers to start businesses, accelerate the process of urban-rural integration, and comprehensively realize rural rejuvenation.*

**KEYWORDS:** *rural governance, rural revitalization, returnee migrant workers to start a business, governance system and capacity*

## 1. Introduction

The rural issue has always been the top priority of China's social development. The outflow of a large number of agricultural population has seriously impacted the development of agricultural economy and the stability of agricultural society. In recent years, with the acceleration of China's urban-rural integration, more and more farmers have returned to their hometowns to resume agricultural production activities. Among them, the return of rural migrant workers to start a business has become a

beautiful landscape for the development of rural society in China. The report of the 19th National Congress of the CPC put forward important strategic measures for rural rejuvenation, and provided important policy support and direction guidance for returnee migrant workers to start their own businesses. Based on the perspective of the rural governance system and governance capabilities, an in-depth analysis of the entrepreneurship of returning rural migrant workers has positive theoretical and practical significance.

## **2. Background of returning rural migrant workers**

### ***2.1 Intergenerational changes of migrant workers based on natural laws***

With the development of society and the natural change of intergenerational populations, the older generation of migrant workers in the traditional sense has gradually withdrawn from the historical stage. At present, the dominant generation of migrant workers is the new generation of migrant workers. The new generation of migrant workers has a higher cultural level than the older generation of migrant workers and has a higher pursuit of life and career. They are no longer confined to the ordinary life of working in the city. With the further development of China's urban-rural integration process, the difference between urban and rural household registration is shrinking. For the new generation of migrant workers who generally have a low level of knowledge, they have accumulated experience and lessons in working and living in the city. He also has the ability to live and work in rural areas. Returning to the rural areas to start a business, increase the income of himself and his family, and realize his own value has become a very promising personal value pursuit. Especially with the changes in the social practice concept, when the new professional peasants are no longer a status symbol but a mark of a profession, the new generation of migrant workers must return to their hometowns to start a business and become a trend for rural society and society. Economic development has an important impact.

## ***2.2 The concept of social entrepreneurship and innovation in the new era is constantly changing***

At the Summer Davos Forum in September 2014, Premier Li Keqiang proposed "mass entrepreneurship and innovation", and a wave of innovation and entrepreneurship emerged in the whole society. Whether it is urban or rural residents, as long as they have the spirit of innovation and entrepreneurship, they may succeed. For migrant workers returning home to start a business, it is a choice that coexists with challenges and opportunities. If you start a business successfully, you can not only increase your personal economic level and family income, but also change your social status and increase more investment in your children's education. In fact, the return of rural migrant workers to start a business is, on the surface, an act of increasing wealth by individual farmers in order to increase their personal and family income. In fact, the individual entrepreneurship of returning rural migrant workers is not only individual activities and family activities, but the "one-person entrepreneurship and driving prosperity" peasant entrepreneurial scene is emerging. This is also the important content and goal pursuit of the improvement of rural social governance capacity and governance level.

## ***2.3 Rural Rejuvenation Strategy Continued to Actively Promote***

The Nineteenth National Congress of the People's Republic of China proposed the strategy of rural revitalization, which pointed out the direction for the development of rural society in China. The most important task of rural rejuvenation is to increase farmers' income, that is, the growth of farmers' income is faster than the growth of national income. There are many ways for farmers to increase their income, and returning rural migrant workers to start a business is one of the important channels and effective ways to increase farmers' income. As far as the reality of China's agriculture and rural development is concerned, in order to increase farmers' income, industry must be developed; only when relevant industries have developed, can they provide more entrepreneurship and employment opportunities for farmers and fundamentally increase farmers' income. The survey shows that the main body of peasant entrepreneurship is currently concentrated in the group of returning entrepreneurial peasant workers, who have formed advantages in venture capital,

technology, information, and human capital by working abroad, and have become powerful practitioners of rural revitalization strategies and Facilitator.

#### ***2.4 Modernization and transformation of national governance system and governance capacity***

China is a country with rich experience in governing the country and has a long tradition of rural governance. [1] Rural governance is an important part of the national governance system. It is an important guarantee for the people to live and work in peace, social stability and order, and long-term stability in the country. Rural social governance has two basic connotations, namely rural social order and rural social development. [2] The uncoordinated relationship between governance and development is not a unique feature at this stage, but is universal in both theoretical and practical sense. [3] Farmer entrepreneurship is an important object of rural governance. The modernization of rural governance will definitely promote the entrepreneurial activities of farmers, consolidate the mass foundation for rural revitalization, and develop the rural economy. In the context of the implementation of the rural revitalization strategy, the modernization practice of rural governance promoted by local governments has been fully rolled out. [4]

### **3. Problems and Causes of Returning Migrant Workers' Entrepreneurship**

#### ***3.1 Weak rural employment mechanisms and governance capabilities restrict entrepreneurial efficiency***

As the population ages, the imbalance between the supply and demand of labor in the rural market is more serious. The existing labor market mainly serves urban employment and entrepreneurship, and the rural employment and entrepreneurship service mechanism is very weak. Some local farmers have poor channels for increasing employment and entrepreneurship, and the structure of employment and entrepreneurship is unreasonable. Returning farmers have been exposed to more high-quality employment and entrepreneurship service products in the cities, and have experienced the quality of high-quality employment and entrepreneurship services. When the employment mechanism and employment governance have just

started, it is easy to feel dissatisfied with the quality of rural employment products and employment services of rural organizations. Returnee migrant workers 'entrepreneurship is also mainly limited to individuals' understanding and exploration of entrepreneurial products and entrepreneurial industries. When encountering entrepreneurial setbacks, they can only rely on the strength of individuals and their families to cope with and resolve them. Before completing the transition from the manager's role, the village administrators basically did not actively participate in the entrepreneurial activities of individual returning rural migrant workers.

### ***3.2 The neglect of traditional rural entrepreneurial culture governance has hurt entrepreneurial enthusiasm***

In traditional rural societies, it is generally believed that leaving the countryside to the city is the best option, placing the peasant on the label of identity rather than a professional definition. Many peasants' life is nothing but to leave the countryside to live in the city. Therefore, when migrant workers return to their hometowns to start a business, the first thing they encounter is invisible resistance. The definition of the concept of success in rural society is often separated from the countryside, left agriculture, and engaged in rural and agricultural related work, even if it is successful in entrepreneurship, it is still considered a peasant. Affected by the long-term urban-rural dual economic system, they expressed incomprehension and even ridicule to migrant workers returning from cities to start their own businesses. In the realistic atmosphere of the relative integration of interpersonal relationships in rural society, the negative effect of this negative rural cultural atmosphere is often magnified, which has a negative impact on the entrepreneurship of returning rural migrant workers. Rural social managers often ignore the governance of rural entrepreneurial culture. In the past, the entrepreneurial enthusiasm of returning rural migrant workers will inevitably be cracked down and consumed. In post-native China, cultural disruption has reduced social integration and has become a basic issue that must be addressed to improve rural governance performance. [5]

### ***3.3 Inefficient operation of rural social management organizations hampered entrepreneurial development***

China's current rural management organization is a rural collective economic organization established on the basis of collective land ownership. The main source of management personnel is the rural grassroots level, and the general managerial level of the organization is not high. They are familiar with the local society and economy, and there is no problem in handling traditional village disputes and maintaining basic daily stability. However, when it comes to entrepreneurial activities with greater risks, they are often timid and lack a spirit of innovation and entrepreneurship. They also adopt a conservative attitude towards the entrepreneurial activities of returning rural migrant workers, fearing that the only entrepreneurial failure in the future will cause group events. . Therefore, they generally do not support or encourage the returnees' entrepreneurial activities. Only those who succeed in entrepreneurship will be publicized as performance projects. Such inefficient management of rural society is not conducive to the active development of entrepreneurship activities for returning rural migrant workers.

### ***3.4 Insufficient sources of governance of venture capital affect the possibility of entrepreneurship***

The biggest problem for returning rural workers to start a business is the venture capital. As far as the source of venture capital is concerned, it is not denied that some returning rural migrant workers have worked in cities for many years and have accumulated some funds, which can be used as a starting fund for returning home businesses, but not everyone has sufficient funds to support entrepreneurial activities. The survey shows that the main source of funds for returning rural migrant workers to start their own businesses is still wholly owned by themselves or their families, or borrowed from relatives and friends, while loans provided by rural organizations or loans from financial institutions are significantly lower. It is enough to show that the venture capital has become the biggest obstacle that may affect the return of rural migrant workers to start a business. As far as the supervision of venture capital is concerned, due to the relatively low level of entrepreneurial farmers' education and the lack of financial supervision capabilities of enterprises of a certain size, rural

managers cannot interfere with the flow and operation of venture capital based on their responsibilities and governance needs. However, the government supervision department has insufficient supervision on small-scale taxpayers such as peasant entrepreneurs or individual industrial and commercial households. Therefore, the lack of intelligence in the supervision of venture capital operation is another important reason that affects the return of rural migrant workers to start a business.

### ***3.5 Lack of governance of agricultural entrepreneurial risk aggravates entrepreneurial risk***

Prevention of entrepreneurial risk is one of the important aspects that every entrepreneur should consider at the beginning of entrepreneurship. For returnee migrant workers and entrepreneurs, they should also have a certain ability to predict the situation of entrepreneurship. However, due to the constraints of many factors such as cultural level, entrepreneurship information, and the like, returnee migrant workers and entrepreneurs are obviously incapable of risk prevention and response. Traditional agricultural planting and aquaculture industries are all "feeding by the sky". Once encountering a natural disaster, it is likely that the grain will not be harvested and the blood will be lost. The connotation of modern agricultural entrepreneurship is of course much richer and is no longer limited to planting and aquaculture. However, it is still greatly affected by natural factors such as weather. Changes in upstream industries, downstream industries and social policies have even brought fatal effects. The current existing risk mitigation mechanisms are mainly concentrated in urban modern enterprises and general life health. Existing insurance systems rarely involve risks associated with agricultural production.

## **4. Entrepreneurship Countermeasures and Paths of Returning Migrant Workers Based on Modern Rural Governance**

### ***4.1 Improve rural employment governance and strengthen the entrepreneurial ability of returning migrant workers***

Entrepreneurship is an important part of employment. Returning rural migrant workers to start a business is an important part of rural employment. The

improvement of the employment governance ability of the rural government and the establishment of a rural employment mechanism system are not only a reflection of the economic and social development level of a village or a rural area, but also have an important impact on the rural economic and social development. The formation of the rural employment environment is a systematic project, which includes not only the construction of a rural employment governance system, but also the improvement of the rural employment governance capability. Among them, for rural organizations, the most important thing is to build a good employment mechanism for returning rural migrant workers; for returning rural migrant workers, the most important thing is to continuously improve their entrepreneurial ability through continuous efforts. Establishing a rural employment mechanism and forming a good job market for returning rural migrant workers are not only an important connotation of the modernization of rural governance, but also an inevitable requirement for rural revitalization. The rural social organizers and governors must regard the employment management of returning migrant workers as an important part of the promotion of rural revitalization strategies and place it in an important position, make overall arrangements in the long-term planning of regional socioeconomic development, and improve the entrepreneurial ability of returning migrant workers. Coordinating and coordinating the direction of entrepreneurship, entrepreneurship risk bearing, etc., forming a healthy and orderly operation of the rural employment governance system, and effectively strengthening the entrepreneurial ability of returning rural migrant workers.

#### ***4.2 Enhancing the governance of entrepreneurship culture in rural areas***

The formation and optimization of cultural atmosphere is an important content of social governance. Entrepreneurship culture is the general public's evaluation of entrepreneurs and their entrepreneurial activities in a certain area. The formation of a positive entrepreneurial culture is an important part of the modernization of rural governance. When the general public acknowledges from the heart that migrant workers' entrepreneurship is a kind of vocational ability and career development, and develops a sense of identity and enthusiasm for participation, the rural society really forms a positive, healthy and orderly atmosphere of rural entrepreneurial culture. This atmosphere is a universal recognition of agricultural entrepreneurship and



practitioners in modern society. When rural societies generally form such a collective perception, people have no biased and discriminatory vision of urban and rural work. Regardless of the success or failure of returnee peasant workers' entrepreneurship, they can be viewed with ordinary minds, and the entrepreneurial culture in rural society can really take shape. The formation of this culture is a long-term process. Rural social managers should adopt active and effective publicity measures and policy measures to fully affirm the entrepreneurial willingness and entrepreneurial activities of returning migrant workers, and actively guide rural residents to establish the correct entrepreneurial idea as soon as possible. Form a benign entrepreneurial atmosphere, and continuously improve the entrepreneurial passion of returning rural migrant workers. By encouraging entrepreneurship to develop the local economy, form regional characteristics, effectively promote farmers' income, and increase the sense of gain, happiness, and safety of the majority of farmers, especially returning rural entrepreneurs. sense.

#### ***4.3 Promote the modernization of governance of rural entrepreneurial organizations to promote sustainable entrepreneurship***

Village governance is a field of multiple competitions. [6] The organizer of rural entrepreneurship is an important part of the rural social governance system. The modernization of rural entrepreneurship governance is not only the modernization of the governance mechanism and governance capacity of rural management organizations, but also the overall requirements for rural managers. The basic organizational structure and the role of cadres are the basic configuration for effective governance in a mega-state. [7] A strong regulator of returnee migrant workers' entrepreneurial activities is the rural governor. As the main leadership of the modern rural society, the modernization of rural entrepreneurial organization governance is not only an important content of the entrepreneurial activities of returning peasant workers, but also an important content and inevitable requirement of modern rural governance systems and capabilities in China. Under the realistic background that China's current rural social development is still relatively backward, improving the governance ability and intellectual level of rural social governors will actively promote the smooth progress of entrepreneurship activities of returning rural migrant workers in the region and effectively promote the rural revitalization strategy. Goals

achieved. The construction of a rural governance system combining autonomy, rule of law, and rule of virtue is an essential requirement that focuses on the transformation of rural governance in the new era and the realization of rural revitalization strategies. [8] Improving the governance ability of rural managers is not a one-time deal, but should be a systematic project including the reform of the entire rural social governance system.

#### ***4.4 Increasing the Fund Management of Farmers' Entrepreneurship to Ensure the Operation of Venture Capital***

Increasing the investment in entrepreneurship is a financial guarantee for returning rural migrant workers to start a business, but from the perspective of the actual development of rural society, simply increasing the supply of entrepreneurial funds obviously cannot guarantee the practical realization of the investment funds. It should include two levels, one is the fund raising level. Rural managers should coordinate entrepreneurial projects within the region, and on the basis of field surveys, classify the types and types of entrepreneurial projects suitable for returning rural migrant workers, predict the venture capital for different scales, and provide returning rural migrant workers with entrepreneurship. Active and effective advice and funding. Second, the level of fund supervision. Increasing the capital management of farmers' entrepreneurship to ensure the capital supervision of venture capital operation should include a series of activities. The supervision process should run through the entire process of raising venture capital, financial control of venture capital, and financial risk response. As the governor of rural society, they should actively play their functions and roles, and cooperate with various types of financial institutions in rural areas to meet the individual and diverse entrepreneurial needs of returning rural migrant workers, and create financial products suitable for returning rural migrant workers to start businesses. Therefore, increasing farmers' own investment in entrepreneurship requires a standardized operation, and this standardized operation is a governance mechanism for venture capital. By constructing a performance evaluation mechanism for returning rural migrant workers' entrepreneurial funds, the actual effectiveness of the input and output of the returning rural migrant workers' entrepreneurial funds will be monitored and feedbacked.

#### ***4.5 Deepening the risk management of farmers' entrepreneurship and reducing the risk burden of entrepreneurship***

The governance of agricultural entrepreneurial risks is an important guarantee for the healthy and orderly development of agricultural entrepreneurship. To deepen the risk management of peasant entrepreneurship, the most important content of which is to enrich and improve the risk prevention and control mechanism for peasant entrepreneurship. Enriching and perfecting the construction of a risk-sharing system for peasants' entrepreneurship is an important part of guaranteeing the construction of an entrepreneurial governance system for returning peasant workers. To deepen the risk management of returnee farmers' entrepreneurship, first of all, rural managers must attach importance to the awareness of returnee farmers' entrepreneurship risks and do a good job of early warning of agricultural entrepreneurial risks. Because entrepreneurship is an important economic activity, the risk of entrepreneurship runs through the entire process of entrepreneurship, and the early warning of entrepreneurial risk runs through the entire process of entrepreneurship governance, which can effectively prevent the risk of risk. Secondly, rural managers must actively guide returnee migrant workers to start their businesses to minimize their risks. This is an active governance activity of the governor. In the process of governance, establish a mechanism for responding to entrepreneurial risks of returning rural migrant workers, and implement government, society, and individual multi-agent, multi-level entrepreneurial risk response measures. Finally, rural managers must provide active and effective risk assistance to farmers who fail to start a business. Returning farmers is a key factor in the process of urbanization. Rural managers should encourage them to reflect on their lessons, open up ideas, start new businesses, and seek entrepreneurial ideas again based on failure.

### **5 Conclusion**

Analyzing the practical dilemma faced by returning rural migrant workers based on the perspective of modern rural governance is an important measure to improve China's rural governance system and governance capacity, as well as an important measure to increase farmers' income, promote rural social development, and fully realize rural revitalization.

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