# Research on the Main Mode of Rural Industrial Convergence and Impacts on Farmers' Income Increase

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**Abstract:** The emphasis on agricultural development has always been the basic requirement for China's development. This paper first explains the current situation of rural industrial convergence in China, and then analyzed the different models of rural industrial convergence and the impact of different models on improving farmers' income. Finally, this paper points out the ways to promote the rural industrial convergence, that is, to actively play the role of the government, and to play the promoting role of the infrastructure support.

#### 1. Introduction

The convergence of rural industries includes the convergence of different industries and the convergence of different industries in the same industry. This kind of convergence is a process in which new industries are gradually formed. The most important convergence of rural industries is the convergence of the first industry, the second industry and the third industry [1]. In other words, it mainly refers to the convergence between industries. At the same time, it is actually a phenomenon of industrial convergence. Industrial convergence takes agriculture as the core, relying on science and technology to realize industrialized management, promotes the development of rural agriculture through industrialization development, fundamentally promotes the development of China's agriculture, realizes the industrialization management of agricultural production before, during and after the period, and establishes a sound agriculture. The industrial chain will increase the value of agricultural products. At the same time, it will establish a complete sales service system for agricultural products, give play to the service advantages of the tertiary industry, realize the appreciation of agricultural products, and help farmers bring more economic benefits. Using science and technology to develop new technologies, realize the scale and centralization of agricultural production, and gradually transform into modern agricultural production.

# 2. The Current Situation of Rural Industrial Convergence in China

With the increasing emphasis on industrial convergence in China, rural industrial convergence has been implemented in some regions and has achieved certain results, which has greatly promoted the development of local rural economy and reflected the advantages of industrial convergence [2]. However, the new concept of rural industrial convergence in China has been proposed just for a short period of time, and the rate of popularization across the country is relatively slow, resulting in the phenomenon of industrial convergence in only some specific areas. China's industrial convergence is still in the initial stage of development and lacks practical experience. At the same time, since China is a big country in agricultural production, it takes a long time to realize the overall economic transformation. It can be said that the popularization of rural industrial convergence faces enormous challenges, requires the strong support of the government and society, such as providing a good environment for the convergence of rural industries.

On the other hand, China's agricultural production has already developed toward the direction of industrial convergence. Most rural areas have achieved mechanized agricultural production, and the transformation of production forms has provided possibilities for industrial convergence. Most

importantly, the government has paid close attention to the rural development and the issue of increasing peasants' income. The new concept of rural industrial convergence has strong practicality and is an important direction for increasing peasants' income. So there is no doubt that the convergence of rural industries will speed up with the strong constant support of the government.

# 3. The Main Mode of Rural Industrial Convergence and Impacts on Farmers' Income Increase

#### 3.1 Forward extension industrial chain

This model relies on the processing and distribution enterprises of agricultural products to strengthen the construction of standardized agricultural raw material bases, and promoting the development of agricultural product distribution and processing of agricultural products, standardization of agricultural products, to strengthen the governance of agricultural products, the quantity, and increase the timeliness and stability of raw material supply for agricultural products. The forward extension mode of the agricultural industry chain relies largely on leading enterprises or industrial and commercial capital, which is conducive to the idea of innovative rural industrial convergence and could better match consumer demand, especially in promoting industrial chain and value chain upgrading.

Under this model, it is easy to form the pattern of leading enterprises and industrial and commercial capital to lead the convergence of rural industry, which causes farmers to lose the dominant power and benefit sharing right of rural industrial convergence, and fall into the marginal status of the distribution of rural industrial convergence interests, and it is also easy to cause the problem that farmers do not adapt to the ability to participate in rural industrial convergence. Therefore, it is of utmost importance to strengthen the linking mechanism with the peasant households, strengthen the leading enterprise and industrial and commercial capital's ability to boost peasants' income, and encourage them to guide peasant households to increase their ability to participate in rural industrial convergence in the process of rural industrial convergence.

#### 3.2 Backward extension industrial chain

Most of the convergence models include professional large-scale households, farmer cooperatives, family farms and other local-rooted new-type agricultural management subjects, to develop localized agricultural products processing, distribution, catering and tourism [3]. And extends to the post-production processing, distribution, tourism, and catering sectors of agriculture to realize the extension of the agricultural industrial chain, and to promote the value-added of agricultural products and the upgrading of industrial chains and value chains. Some agricultural products processing enterprises build the market of agricultural products, develop the logistics and circulation of agricultural products; some farmers and new agricultural operators promote the combination and development of circular economy, which leads to the restructuring of the agricultural industry chain and value chain, and is also a backward extension model of the agricultural chain.

This model has a more direct role in the demonstration of farmer income increase and surrounding farmer households' participation in rural industry convergence, and farmers' main status is more easily reflected. The related rural industry convergence project is more feasible and can easily increase farmers' ability to participate in rural industrial convergence development. However, the concept innovation and actual progress of promoting rural industrial convergence are slower, and the industrial chain and value chain upgrading are facing more constraints. Rural development such as primary processing of agricultural produce, construction of outlets for direct selling and development of farmhouse tourism are also the same.

#### 3.3 Functional extension mode

Through the development of leisure agriculture and rural tourism, to activate the life and ecological functions of agriculture and rural areas, enrich the connotations of environmental protection, science and technology, education, culture, experience and other aspects of agriculture

and rural areas, transform and enhance the production functions of agriculture, through innovative agricultural or agricultural supply, and strengthen the ability of agriculture to adapt to demand, create demand, and expand the value-added space of agriculture, even use the concept of management culture and management community to create rural tourist attractions and promote the effective convergence of innovative demand for agricultural and rural innovation and urbanization. And the characteristic towns and farm tourism that thrived in many localities are belonging to this model.

The effect of the convergence of agricultural and rural function expansion to drive farmers to increase income depends to a large extent on the degree of concept innovation and service quality. Farmers alone promote the convergence of agricultural and rural function expansion, often facing the constraints of conservative concepts, backward concepts and other constraints, the competition between farmers, lack of cooperation, will also affect the regional brand building and efficiency improvement. The involvement of industrial and commercial capital and leading enterprises will help overcome this limitation, but it will also lead to the rapid and prominent importance and urgency of preventing the marginalization of farmers' rights and interests [4].

# 3.4 Service industry leading mode

Through the promotion of agricultural division of labor and cooperation, strengthening the government purchase of public services, and supporting the development of market-oriented agricultural productive service organizations, we should guide the outsourcing of agricultural services, and promote the transformation of agricultural productive service industry from key areas to the network of agricultural productive service industry with full coverage and high efficiency. And guiding industrial and commercial capital to invest in the development of agricultural productive service industries, encouraging the transformation of agricultural-funded enterprises, agricultural production and processing companies, agricultural service enterprises, and even integrated agricultural service chain service providers to form a new pattern of integrated development of agriculture, agricultural product processing and agricultural production service industries, thus to enhance the leading support role in the construction of modern agricultural industrial system and the operation of the agricultural industry chain.

This mode is conducive to solving problems such as planting land, promoting agricultural cost saving, improving efficiency and reducing risks, and increasing farmers' income. Through the development of agricultural exhibition economy and festival activities, many places promote the sale of agricultural products and brand marketing, promote the effective docking of agricultural supply and urban consumption, and promote the increase of farmers' income, which is also a leading and supporting convergence of the service industry.

#### 4. The Measures to Promote the Development of Rural Industrial Convergence

# 4.1 Strengthen the infrastructure for rural industrial convergence

There are many infrastructures for industrial convergence in rural areas, such as the construction of rural roads and the development of hydropower network services, which is the basis for the development of modern rural areas, and also a prerequisite for realizing the convergence of rural industries. Therefore, the relevant government departments should fully understand the importance of rural markets, to develop information and distribution infrastructure and create good conditions for rural industrial convergence. Secondly, it is necessary to put forward new requirements for business entities and to play a leading role. For ordinary farmers, they should be guided to transform themselves into new business entities in order to adapt to the transformation of technology and business models in the converged industry. Finally, in order to accelerate the speed of industrial convergence, we must proceed from the perspective of agricultural production scale, to carry on the scale and intensive construction of agricultural production, and expand the scale of production. The small scale of operation does not help to form the brand effect, and improve the production efficiency. Its input and actual income vary greatly, and it cannot adapt to the development of industrial

convergence, so it can be seen that the large-scale operation of agriculture is also the basis of industrial convergence, and it is also the most effective way for the development of modern industry.

# 4.2 Improve functions of government

Government policies are the key factors to promote the convergence of rural industries. So the government agencies should conduct in-depth research on industrial convergence, introduce relevant policies for industrial convergence, reform agricultural management systems, eliminate factors that restrict agricultural industrialization, and clarify the importance of cooperation among departments in the process of industrial convergence. Strengthen exchanges and cooperation between science and technology, industry, tourism, agriculture and other sectors, build a good communication and cooperation mechanism, give full play to the linkage effect of the government, change the division of the sector, and at the same time pay attention to the exchanges between regional governments, to realize experience and resource sharing.

On the other hand, the government should play its leading role in constantly guiding the flow of modern science and technology to rural and agricultural production. For rural areas with a low degree of modernization, it is difficult to achieve industrial convergence. Therefore, the first measure should be to enhance the degree of modernization of rural areas, and introduce new policies to encourage the development of rural markets, guide enterprises to invest in rural areas. Secondly, government should give full play to the market's economic leading role, and provide funds and policy support for rural entrepreneurial groups, thus to further advance the development of rural science and technology, and promote the industrial convergence.

# 5. Summary

Convergence of rural industries is an important measure for modern agricultural production, and it is necessary to fully recognize the advantages of industrial convergence and grasp the connotation and form of rural industrial convergence. Attentions should be paid to analyze the different models of rural industrial convergence and its relationship with the promotion of farmers' income increase. And analysis of rural situation in China, grasp the situation of agricultural production in our country, make clear the advantages and disadvantages of China's rural industrial convergence, and give full play to the guidance and linkage function of the government departments in the process of rural industrial convergence, and create good conditions for the convergence of the infrastructure construction.

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