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Study on Necessity and Measures for Promotion of ARE in China

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Abstract: The agriculture of China for decades has been taking a traditionally resource-intensive path of growth. This type of growth model has reached its output limit. At present it is imperative to implement the agricultural recycling economy (ARE), for this will be crucial and urgent for the fundamental solution of the “Agriculture, Countryside and Farmers problems ” and the development of overall economy and society. This paper discusses the fundamental principles of ARE and its current situation in China; the importance and necessity for the development of the ARE in china is also highlighted. By emphasizing that there can be no sustainable economic development without the ARE, the author proposes some measures for the promotion of the ARE in china, these include the following aspects: the innovation of the development concepts, the government initiatives, the public finance supports and the renewal of the development model.

Since the 1990s, the recycling economy has been an economic model in the world for implementing the strategy of sustainable development, the ARE is a subsystem of such recycling economic system.

For a long time, China's agricultural economy has been following a traditional resource-intensive path of growth , this mode of economic growth is approaching its limit. Promoting the development of the modern agriculture, speeding up the agricultural technology progress, renewing the growth pattern of agriculture, and cultivating the agriculture of high-yield, high quality, efficiency , ecology and safety, is a key in building a new socialist countryside. The ARE is the inevitable choice for the development of China's modern agriculture.

I. The Characteristics of the ARE

As a new economic development model, the recycling economy has, by transforming the traditional linear-type economic system of "resources → products → waste" into the modern recycling economic system of "resources → products → waste → resources ", fundamentally changed people's traditional ways of thinking, production methods and life styles.

The ARE enjoys several advantages which are not shared by the general recycling economy, these include: better food chain, which means that the participants of the

recycling economy are food for each other in the ecological food chain; green production and consumption, which means product security is more emphasized and that chemical fertilizer and pesticide application are under careful control; sustainable resources utilization, which mean that particular attention are paid to the protection and reasonable development of the natural resources that are indispensable for the development of the agriculture.

II. Necessity for the development of the ARE in China

1. The acceleration of the development of the ARE is the important channel to change the growth model of the agriculture, to promote the development of the modern agriculture and to realize the sustainable development of the agriculture.

2. Developing the ARE may enhance market competition capability of the China agricultural products.

3. Developing the ARE is the inherent requirement for the harmonized industry development for the agriculture.

4. Developing the ARE is a major strategic measure for adjusting the agricultural structure, increasing farmers' income and resolving the "Agriculture, Countryside and Farmers problems".

III. Suggestions for the Promotion of the ARE in China

1. To establish the new concept of developing the ARE;

2. To strengthen governmental guidance and to promote of the ARE which demands the careful planning and effective laws;

3. To augment the public finance support for the ARE;

1) Public finance input shall be strengthened to create more channels for the agriculture-support funds. In order to strengthen the functional support on the agriculture by the government and the public finance, the primary thing is to increase the public finance input in the agriculture, which is the necessary condition for promoting the steady development of agricultural production and achieving national goals for the development of the agriculture.

This implies that : First, new state public finance resources shall be allocated more to the agriculture; second, governmental bond funds shall focus more on the agriculture; Third, agricultural investment laws shall be promulgated as soon as possible, so that agriculture-supporting behaviors by governments at all levels be legally normalized.

In addition, the public finance shall subsidize the bank loans for the agriculture, making full use of the leverage function of the bank credit system. A multi-channel,

multi-form and multi-level fund-raising network will absorb more funds in the market for the development of the agriculture.

2) We must readjust the structure of agriculture, financial investment policy more rational, and promote the economic development of the agricultural cycle.

4. To learn from the successful experience of foreign countries to promote the model innovation for the ARE.

Many useful results have been achieved abroad in developing of the recycling economy. The development of the ARE in China may have a better choice to absorb these successful experiences, particularly the advanced agricultural management methods and production technology, and by combining existing agricultural theory and technology, we may establish our own development model and technology system which is in consistence with our national conditions.

This demands that we develop the eco-technologies and the economic model of the ARE which are resource-saving in the chain of the recycling economy, and that we pay greater attention to the research on the ARE model which embodies the marketization, the new industrialization, the urbanization of the rural area and the agricultural modernization.

Preliminary system of the ARE shall be modified to satisfy the needs of the development of the modern agriculture.

Mature system of the ARE – which is based on the new applied technology of the biogas energy, wind energy, solar energy, biomass energy and on the ecological food chain - shall be demonstrated and promoted, pertinent experience shall be summed up in time.

In short, in order to promote the development of the ARE in China, we must accept and employ the concept and model of recycling economy, which emphasizes not only the development of agriculture at the technical level, but also the all-round consideration of the factors of the institution, the systems, the management and the culture, more attention shall be paid to innovation and reform in the agricultural economy.