

Reflection on the Choice about the Path of Farmers' Entrepreneurship Based on Ecological Economic Zone*

Hou Junhua, Zou Jing

School of Economy and Management, East China Institute of Technology, P.R.China, 344000

(E-mail: jhhou@ecit.edu.cn, zoujing130@sohu.com)

Abstract Construction of eco-economic zone is based on the theory of sustainable development, using the principles and methods of eco-economics and system engineering to improve the structure and enhance capabilities of the composite system of region-wide social, economic and ecological environment, and it has its own regional development characteristics and industrial development system, so farmers' entrepreneurship should be integrated with the industrial development system, regional environment and rural economic coordination. According to the theory of entrepreneurship, combining with regional development advantages of eco-economic zone, this paper tries to probe to the suitable development path for farmers' entrepreneurship in ecological zones, and provide theory reflections and practical guidance for the introduction of corresponding policies and system construction.

Key words Ecological economic zone; Farmers entrepreneurship; Theory of entrepreneurship; Path

1 Introduction

According to the theory of entrepreneurship, entrepreneurial behavior is not simple externalization of individual psychological quality, the unique gift of entrepreneur has its own social economic source, only if entrepreneurship is put in a certain regional social environment, it will be of proper practical significance for us to study entrepreneurship. Therefore, the research content of this subject is discussing the farmers' entrepreneurship in the context of ecologic economic zone. Most ecologic economic zones are located in the area with good ecological environment, where agriculture takes a large proportion of local GDP and industry develops relatively backward, belonging to underdeveloped economic regions. In this area, entrepreneurship will be the main way of increasing the employment and incomes of farmers', and become a new growth point of local rural economy, which would have effectively promoted the agricultural and rural economic development. The construction of ecological economic zone is based on the theory of sustainable development, using the principles and methods of ecological economics and systems engineering to improve the structural and enhance capabilities of the composite system of region-wide social, economic and ecological environment, it has its own regional development characteristics and industrial development system, so farmer entrepreneurship in ecological zones should be integrated with the industrial development system, regional environment and rural economic coordination. Many studies about farmers' entrepreneurship are focusing on the individual perspective instead of regional environment perspective at present, researches on farmers' entrepreneurship in ecological economic zone are even less. According to the theory of entrepreneurship, combining with regional development advantages of ecologic economic zone, this paper tries to probe the suitable development path for farmers' entrepreneurship in ecological zones from the prospective of coordinated development of regional economy, and provide theory reflections and practical guidance for the introduction of corresponding policies and system construction.

2 Body

2.1 Regional development advantage of ecological economic zone

Ecological economic zones means that we should design the regional economy development with ecological concepts and principles of economics, then coordinated development of ecological environment and community economy can be achieved. In this area, wonderful ecological environment is becoming better and growing toward a higher level of balance, natural resources is protected and used rationally, the economy is highly developed with the characteristic of ecological or green, reasonable structure and overall highly competitive, the urban and rural environment is beautiful as well, and environmental pollution are basically under control and been eliminated.

2.1.1 Build a green ecological industrial system

* The research of paper is financially supported by 2010 Soft Science Project of Jiangxi Provincial Science and Technology Department.

Ecological industrial system is the basis for the development of ecological zones, while adhering to the principle of coordinating recycling, ecological industry is a manufacturing system of structuring resources cyclic utilization through the adjustment of industrial structure, optimization of product mix, ecological technology development, resources recycling and full control of pollution, etc. New type of ecological environmental protection industry and the ecological transformation of traditional industries have constituted a green ecological industrial system. Therefore, the green ecological industrial system is an industrial system mainly based on ecological agriculture, new industries and modern services.^[1] Such as Poyang Lake Ecological Economic Region has proposed to take advantages of agricultural resources, develop green agricultural food products and ecological industries with main content of circular economy and clean production, develop ecological services which focus on ecological tourism, green logistics business and green consumption, strive to develop environmental protection industry and enhance the economic level around the lake.

2.1.2 Focus on the construction of ecological culture

Ecological culture is human beings' recognition about essential law of natural ecosystems, also is the sum of reflected mindset that arising when people solve the problem of relationship between man and nature optimally according to the needs and possibilities of ecological relationship, the maturity of ecological cultural determines the development speed and quality of ecological economic zone. Construction of ecological economic zone requires us not only to take the road of new-type industrialization, but also insist to consolidate and develop the advantage of excellent ecological environment, and better integrate ecological protection and economic development organically. So government should pay attention to the ecological cultural construction, create a good social atmosphere of harmonious development of ecology and economy actively, guide people to form a lifestyle of conserving energy resources and protecting ecological environment, so green consumption can be formed, which can help to achieve the situation of "the construction of ecological cultural promotes the development of ecological civilization, which will promote harmonious coexistence between man and nature, so economic and social sustainable development can be achieved.

2.1.3 Emphasize on the coordinated development of regional economy

Ecological economic zone is a complex system that mixed by ecosystem and economic system, and also an overall system of material, energy and information flow and transformation that formed by resources in a particular geographic space, environment and various human economic activities. The industrial development in ecological economic zone has broke the previous single-industry model, and formed industrial clusters and industrial chain, pushed the ecological industry forward a new developing stage of going to scale. In order to take full advantage of inter-regional comparative advantages in resources, we should pay more attention to the coordinated development of regional economy.

2.2 Theoretical analysis of farmers' entrepreneurship in ecological economic zone

The theory of entrepreneurship has pointed out that to establish a new business, people can either carry it out within the existing organizations or build a new enterprise from scratch. Seeing it from the prospective of microcosmic, entrepreneurs need individual endowments of certain management knowledge, high cognitive characteristics and strong psychological qualities instead of high gifts, because after learning and continuous training of improving the entrepreneurial qualities, everyone can start a new business. Economic studies also show that the individual endowment can affect people's way of rational decision-making and results to some extent, which expressed as individual behavioral outcomes that in the process of rational selection which based on their endowments, people try to deal with external uncertainty factors and seek the revenue maximization. In the meanwhile, a large number of literature highlights how important the entrepreneurial endowments are in the process of entrepreneurship, which regards entrepreneurial endowments as the critical resource for entrepreneurial behavior, and even plays an important role in determining the new start-ups' characteristics of resource constitution at a certain degree (Morris, 1998).^[2] Entrepreneurship is the results of making the sense of entrepreneurship, entrepreneurial motivation, opportunity recognition and entrepreneurial capacities and resources work together. At the very beginning, entrepreneurial activity is closely related to their resource endowments, if their resource endowments are richer, they can perceive entrepreneurial opportunities more easily and more capable of garbing opportunities to deal with uncertainty factors and obtain higher returns. Besides, many farmers have neither enjoyed higher education nor vocational-technical education basically, relying heavily on the way of "learning in doing" and "master trains apprentice" as well as adapting to the policies and market, many of them have mastered a lot of tacit knowledge and ability that needed in starting a new business consciously and non-consciously.^[3] Because of congenital lack of individual endowments, farmers' entrepreneurship should make use of the

natural resources advantages that based on foundation and reality, rather than run business big and strong at the beginning.

In ecological economic zones, many rural labor forces have the experience of working in towns, through many years of working, migrant workers have obtained capital accumulation and abundant professional skills and practical experience, which provides basic conditions for entrepreneurship, but due to the factor of individual quality, it is difficult for them to obtain effective information about recognizing business opportunities and market changes, they also are lacking of material means to avoid risks. But by improving the macroeconomic environment and providing policy resources, the insufficiency of individual resource endowments can be made up, the government can help the migrant workers across entrepreneurship behavioral disorder caused by congenital lack of entrepreneurial resources endowments. The coordinated development of regional economy, industrial restructuring, local preferential policies, and efficient service system in ecological zones can make up the shortage of individual resource endowments at micro level, supply conditions and development opportunities to entrepreneurs. Hence, entrepreneurial farmers should choose to make full use of local community natural resources, combining with the needs in different stage of entrepreneurship, exert their own individual endowments, select industries that are easy to manage, close to their own life experiences and relatively less capital investment and quick profit-make, so they can run business bigger and stronger in the future or accumulate experience for starting a new business for the second time.

2.3 The choice about the path of farmers' entrepreneurship in ecological economic zone

2.3.1 Based on ecological agriculture

In nowadays, rural labor forces not only have traditional family concept, spirit of hard-working and strong physiological tolerance, but also obtained much open vision and skills by years of working experience and relevant information. In addition, they have a strong understanding of modern agriculture and science, they are familiar with production and operating activities of relevant agriculture production chain, combing with their own individual endowment, they can fully take advantage of the superior local ecological environment and rich agricultural resources to develop green ecological agriculture. Entrepreneurs can choose pollution-free planting, breeding, tourism in the form of agritainment, leisure industry, catering as well as resource development and processing industries. These industries ask for relatively low level of technology and less capital, which belongs to labor-intensive industry. To rural labor forces, on one side, they are familiar with local circumstance and can use local resources more efficiently, their personal social networks will also help them hire cheap labor force and establish effective distribution channels; on the other side, with the culture construction of ecological zone, people's awareness of safety, health and environment is enhancing, the demand potential of green consumer market is great, farmers can maximize efficiency and reduce costs in a certain period. With the growth of farmers' entrepreneurial experience, accumulation of capital, broad vision, as well as the improvement of rural infrastructure and so on, their industry chain can be further extended, industry standards will be increased also, which means the field of deep processing of agricultural products, semi-manufactured goods, finished goods and industries with high technical content can be involved in.

2.3.2 To undertake the development of industrial clusters

Industry cluster is the kind of group that improving production efficiency and competitiveness of regional industries through industrial division of labor and mass production. The level of regional economic development will affect the statement of regional industrial structure. If the industrial structure of one area is being upgraded, more entrepreneurial opportunities will arise, which is the most original impetus for farmers' entrepreneurship.^[4] To the rural labor force, they are relatively isolating to market information because of less access to information channels, they will ascertain the area of investment and direction only by their own subjective judgments, which leading to loss business opportunities. During the development process of industry cluster in ecological region, there is comparatively perfect industrial infrastructure which can reduce the costs of entrepreneurs. Industry cluster can supply perfect conveniences such as technology, capital, labor, entrepreneur ability and market expansion for the derivation and development of enterprises as well. In the meanwhile, the rapid spread of production skills and management experience that located at the bottom of learning curve in industry cluster will reduce the risk of entrepreneurship, which is especially helpful for the majority of enterprises in cluster to avoid risks of innovation and adaptability. Finally, the success of a large number of homogeneity entrepreneurs will give other entrepreneurs a good demonstration, and more potential entrepreneurs will be attracted to join.^[5] Industries in ecological economic zone is in the stage of upgrading, with the government's guidance, industrial clusters with characteristics will be formed, so the government should do something to lead the farmers to grasp the opportunity and venture into the

development of industrial clusters.

2.3.3 Integrate into urbanization construction

The discrepancy of regional economic development level has affected the level of market development, as well as resource acquisition and allocation capabilities in the process of farmers' entrepreneurship at a certain degree. The increasing level of urbanization can create convenience for information sharing between enterprises, a virtuous relationship of competition and cooperation can be formed, which enhanced the overall strength and sustained development capacity of enterprises, supporting cost of infrastructure such as water, electricity and road can also be saved; on the other side, the increasing level of urbanization is good for the government to manage and provide service to the city, urban functions can be strengthened in addition, which are helpful to the development of tertiary industry especially service, then the prosperity and development of businesses such as commodity networks, transportation, sales market can be drove, all of these are conducive for farmers to expand business channels. On the opposite, if the scale of cities and towns are small with low starting point, the location advantages and industrial advantages are not outstanding, then the function of cities and towns will be distempered, and the investment of infrastructure is high while the use of infrastructure is inefficient and supporting services is weak, which further impeded the development of small cities and towns' build-up effect and nonagricultural sectors, for farmers, the opportunities of starting a new business in nonagricultural sectors will be relatively reduced.^[6] As economic factors such as capital, labor are gathering from rural area to towns, the urban population and economic scale is expanding, which drive the development of urban economy to go a step further. The urban agglomeration in ecological economic zone and development of urban-rural integration has promoted the development of farmers' entrepreneurship.

3 Conclusion

If government wants to develop migrant workers' entrepreneurial economy in ecological zone, when confronting with choosing the developing path, government should bring migrant workers' entrepreneurship into regional overall plan to fix the position and arrange. The research team thinks that farmers' entrepreneurship has to insist the principle of "scientific planning, rational guidance, policy supporting and service management", it is also very important for the government to encourage farmers to establish in ecological agriculture actively, guide the migrant workers' entrepreneurship fit into the cities and industrial clusters, and promote the coordinated development of ecological economic region. Of course, the realization of entrepreneurial activity is in need of business opportunities supplied by social macro-environment, external variable such as technical change, structural adjustment and development of industrial clusters has provided particular external opportunities to farmers' entrepreneurship, and people can not capture this kind of opportunities without personal strong entrepreneurial motivation and human capital reserves with entrepreneurial skill, so the government should increase investment in human capital entrepreneurs.

References

- [1] Kong Fanbing. Theory of Ecological Economic Zone Construction and Analysis on Construction of Ecological Industrial System[J]. Issues in Agricultural Economy, 2009, (7): 101-104 (In Chinese)
- [2] Yang Jun, Zhang Yuli. Analysis on the Process of Entrepreneurial Behavior Based on Resources Endowment of Entrepreneurship[J]. Foreign Economies and Management, 2004, (2): 2-6 (In Chinese)
- [3] Yang Liqiong. Several Misunderstandings on the Study about Farmers' Entrepreneurship[J]. Issues in Agricultural Economy, 2009, (5): 63-67 (In Chinese)
- [4] Ge Jianxin. Entrepreneurship[M]. Beijing:Tsinghua University Press, 2004 (In Chinese)
- [5] Yang Jingwen. The Basis and Substance of Enterprise Cluster Strategy[J]. Productivity Research, 2004, (9): 135-136 (In Chinese)
- [6] Guo Junying. Analysis on Factors Affecting Farmers' Entrepreneurship[J]. Modern Economic Research, 2006, (5): 77-80 (In Chinese)