## The Key to Achieving New-type Urbanization: Promoting County Urbanization

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#### **Abstract**

The new development pattern and the promotion of common prosperity are of great significance. China has established and implemented a new people-centered urbanization strategy and has made great historic achievements. However, in China's urban system, counties, as a basic component, still have some problems, such as low urbanization level, lagging public services and infrastructure, and lack of economic development momentum. Therefore, steadily promoting county urbanization has become the key to achieving high-quality development of new-type urbanization in China. In order to promote new-type urbanization and build a new type of urban-rural relationship between industry and agriculture, it is necessary to deeply study the evolution pattern, driving mechanism, development dilemma and promotion path of county urbanization. Only by comprehensively understanding and solving these problems can we promote the urbanization of counties to a higher level. This will not only help promote sustained and healthy economic and social development, but also promote the common prosperity of urban and rural residents and achieve the goal of a moderately prosperous society in all respects. Therefore, the study of county urbanization has important practical and strategic significance, and should be highly valued and supported.

## Keywords

High-quality Development; New Urbanization; County Economy.

#### 1. Introduction

Urbanization is the only way to achieve Chinese path to modernization, and it is of great significance to promote the steady and healthy development of the economy and society, build a new development pattern, and promote common prosperity. However, as a fundamental component of China's urban system, counties still face problems such as low urbanization levels, lagging public services and infrastructure, and a lack of economic development momentum. Whether to steadily promote county level urbanization construction has become the key to the high-quality development of China's new urbanization. Based on this, in-depth research on the evolution pattern, driving mechanism, development difficulties, and promotion path of county-level urbanization is of great significance for promoting new urbanization and constructing new industrial agricultural urban-rural relations[1].

The driving factors for the evolution of urbanization in China exhibit diversified characteristics. Gu Shengzhi believes that there are four main factors in promoting urbanization development: industrial development based on social division of labor, population quality improvement brought about by population mobility, urban functions based on big data informatization, and urban management system based on binary structure. Hu Jiquan believes that the four driving forces for promoting urbanization are market interest driven, government planning guidance, policy promotion, and institutional guarantee[2]. With the rapid development of informatization, informatization, agricultural modernization, and new industrialization have

gradually become the driving factors for urbanization in China[3]. The level of agricultural modernization is constantly improving, and the surplus rural labor force is being transferred to cities on a large scale. China's urbanization has entered a period of rapid development[4]. However, this traditional urbanization model dominated by population relocation has a series of negative effects, with a large number of rural populations flooding into cities, leading to urban traffic congestion, housing shortages, and rural "hollowing out" and "aging"; The pressure on urban ecological environment is constantly increasing, with air pollution, noise pollution, greenhouse effect, and other serious impacts on residents' happiness index. Therefore, in 2014, the Central Committee of the Communist Party of China and the State Council issued the "National New Urbanization Plan (2014-2020)", marking the beginning of a new era of urbanization centered around people. In 2016, the State Council explicitly encouraged "local and nearby urbanization of farmers". Qi Xinhua et al. constructed a conceptual model of "rural pull urban pull" ("dual pull") to explore the inherent mechanism of local and nearby urbanization in the southeastern coastal areas of China, with significant economic and social benefits[5]. As a "urban-rural connector", county towns are a natural carrier connecting cities and serving rural areas, with the natural advantage of promoting local and nearby urbanization[6]. County level urbanization is increasingly becoming the optimal path choice for China's new urbanization with its unique advantages.

So, what is county level urbanization? Economic geography research suggests that county-level urbanization is a regional transfer of various factors, that is, the process of various economic factors of non agricultural industry development gathering towards cities, residents gathering, and spatial redistribution of economic layout. Demography believes that the essence of county urbanization is the non agricultural process of population. The development of agriculture is driving the transfer of surplus rural labor to the secondary and tertiary industries, accompanied by structural adjustments in the primary, secondary, and tertiary industries. Sociology defines it from people's lifestyles, and they believe that county urbanization is the process in which rural residents can enjoy the same material and spiritual life as urban residents, guiding the transformation of farmers' lifestyles. The focus of this article is more on the urbanization of functional spaces that play a radiating and leading role within the county, emphasizing the use of the county as a carrier to attract more high-end factors such as talent, knowledge, and technology to gather in the county, achieving the goal of promoting the transformation and upgrading of county industries, increasing the number and quality of employment, and thereby promoting the optimization and development of county economy and society.

Undoubtedly, to steadily promote county-level urbanization, it is necessary to first clarify the evolution pattern, driving mechanism, and development difficulties of county-level urbanization in China, and then "tailor the medicine to the case" to scientifically propose the promotion path of county-level urbanization. Based on this, this article attempts to sort out and summarize the existing theoretical and empirical research literature on county-level urbanization, comprehensively and meticulously summarizing the evolution pattern, driving mechanism, development difficulties, and promotion paths of county-level urbanization in China, in order to comprehensively understand the current research status of county-level urbanization in China.

# 2. The Evolution Pattern and Performance Characteristics of County Urbanization

#### 2.1. The Evolution Pattern of County Urbanization

Relevant scholars have analyzed the evolution pattern of county-level urbanization from the perspectives of education driven, non agricultural industrial urban agglomeration, and non agricultural labor force[7].

The implementation of the policy of "merging rural areas with schools" has led to the gradual concentration of educational resources in counties and towns. In addition, the new generation of migrant workers are increasingly paying attention to their children's education, and rural families have gradually formed a family decision-making consideration of "maximizing comprehensive income with education as the core". With the change of household urbanization goals, more and more rural residents are sending their children to the county town for education, and then buying a house in the county town to attend school nearby. In addition, rural youth getting married and buying houses in cities has also promoted the development of urbanization in the county. Against the backdrop of gender imbalance, the formation of a nationwide marriage market has squeezed the marriage of rural men, forcing rural families to buy houses in cities. Due to the abundant labor resources and low development costs of the county seat, it has become an important carrier for undertaking industrial transfer, and non agricultural industries have gathered in cities and towns, promoting the process of county industrialization. The development of county-level industrialization has increased local non agricultural employment opportunities, promoted the non agricultural transformation of agricultural labor force, and assisted the development of county-level urbanization.

#### 2.2. The Driving Force Mechanism of County-level Urbanization

From the experience of urbanization in various countries, the driving forces of county level urbanization mainly include three types: government driving force, market driving force, and folk driving force[8].

Market power mechanism refers to the fundamental role played by the market in the allocation of resource factors, which promotes the free flow of labor, capital and other production factors through market forces, reasonably allocates resources, regulates supply and demand, and promotes the transformation and upgrading of county-level industries and the integration of urban and rural development. Firstly, due to the attachment to the countryside and the motivation of farmers to pursue maximum profits, farmers have transferred to the county seat on a large scale, and the population size of the county seat continues to expand; Secondly, the large population gathering in the county brings more business opportunities and social resources, promoting a large amount of funds to flow towards economic development and urban construction. Under the guidance of market mechanisms, funds can achieve supplydemand coordination and promote the maximization of financial benefits; Finally, the increase in infrastructure construction and service demand has attracted more labor, capital, and other production factors to flow to the county, forming a virtuous cycle. The agglomeration and development of enterprises, the improvement of infrastructure, and the spatial transformation of labor employment constitute the main content of market-oriented county-level urbanization. The government driving mechanism refers to the central and local governments using administrative means to regulate resource factor investment, industrial layout, public services, and other aspects through county development policies and guidelines, in order to promote county urbanization construction. The government's driving force mechanism is the primary source of driving force for promoting urbanization in China. During the rapid development of urbanization, the large-scale construction of development zones, the establishment of new cities, urban transformation, and the operation of investment and funds are all directly

operated by the government; In 2014, the State Council emphasized the downward "sinking" of agricultural financial institutions, and appropriately reduced the deposit reserve ratio for county-level rural commercial banks and cooperative banks that meet the requirements; In 2017, the State Council proposed to guide college graduates to work and start businesses in counties, and support the planning and construction of innovation and entrepreneurship carriers such as high-tech industry development zones within the county; In recent years, the central government has persisted in coordinating the construction of villages and towns around the county level, vigorously strengthening the construction of county-level circulation service networks, expanding the supply of county-level public services, and promoting the construction of county-level urbanization.

The folk driving mechanism refers to the breaking of the urban-rural dual structure system, which provides farmers with the opportunity to independently choose urbanization, improve their living standards, change their way of life, and accept the freedom of urban civilization. However, farmers entering cities are subject to various cost constraints, such as direct costs caused by changes in production and living environments, opportunity costs caused by abandoning rural leisure lifestyles and a harmonious and mutually supportive atmosphere among neighbors, and sunk costs of losing rural homesteads and agricultural land. Therefore, local and nearby urbanization is more in line with the pursuit of maximizing utility by farmers. County level urbanization will retain the benefits of the entire industrial chain and high-quality educational resources in the county, which is beneficial for increasing farmers' income and reducing costs. With the development of new urbanization, the attraction of human, material, financial, and technological resources to counties is becoming increasingly strong, and the motivation of farmers is constantly strengthening, thereby further promoting the improvement of county level urbanization.

## 3. The Dilemmas Faced by County Urbanization Development

In 2022, the State Council issued the "Opinions on Promoting the Urbanization Construction of County Towns as an Important Carrier", stating that by 2025, significant progress will be made in the urbanization construction of county areas, The allocation of public resources is basically matched with the size of the permanent population, the development and growth of characteristic advantageous industries, the basic completeness of municipal facilities, the comprehensive improvement of public services, the effective improvement of living environment, the significant enhancement of comprehensive carrying capacity, and the continuous expansion of the scale of farmers' employment and settlement in county towns. From the current situation, there is still a significant gap between the urbanization construction of county towns in China and this requirement. The overall development level of county towns is not high, and there are shortcomings and weaknesses, Failure to fully leverage the role of connecting the preceding and the following.

Firstly, the overall development level is not high and the industrial structure is unreasonable. The main financial support for the development of county-level towns comes from the county-level economy, but due to the fact that most rural areas are within the jurisdiction of the county, the level of county-level economic development is significantly lower than the overall national level. From the perspective of industrial structure, the proportion of primary and secondary industries in the county is far lower than the overall national level, and the tertiary industry is mainly traditional service industries with low added value such as catering and commerce, while the proportion of productive service industries such as information consulting and cultural creativity is relatively low. Due to path dependence and insufficient industrial technological innovation capabilities, the rationalization of industrial structure is difficult to achieve in the short term.

Secondly, the talent attraction is not strong and there is a lack of high-end talents. The efficient utilization of resource elements required for the development of county-level urbanization mainly benefits from the leveraging of high-level talents. However, the county economy mainly integrates and develops primary production factors such as land, human resources, and capital, and is at the low end of the value chain, with a weak attraction to high-level talents. Moreover, there are almost no high-level talent training bases such as research institutes and universities within the county jurisdiction, and the talent reserve for county-level urbanization construction is significantly insufficient.

Thirdly, the institutional mechanisms are rigid. At present, China implements a system of city governing counties, where prefecture level cities uniformly manage the economic and social development and financial personnel distribution of their respective counties. In the case of insufficient financial resources at the municipal level, the municipal government often forcibly borrows county-level fiscal revenue, resulting in insufficient funds for county-level urbanization development. In addition, there are also unreasonable phenomena in China's financial and tax distribution system. Since the tax sharing system, local governments at all levels have continuously increased their powers without significantly increasing their financial power. The county-level government bears no less power than the provincial-level government, but its financial power is far inferior to that of the provincial-level government. Some counties are even facing the dilemma of defaulting on the salaries of public servants and are unable to promote county-level urbanization construction. The rigid management system and mechanism greatly reduce the role played by the government in promoting the construction of county-level urbanization, seriously restricting the development of county-level urbanization.

#### 4. The Promotion Path of County-level Urbanization

Based on the trend, driving force, and difficulties of county-level urbanization, in the future, promoting county-level urbanization should be guided by new development concepts, adhere to high-quality development, diversified development, and shared development, comprehensively improve the quality of county-level development, and build a new type of industrial agricultural urban-rural relationship.

Firstly, high-quality development is necessary. The key to high-quality development of county level urbanization is to clarify the leading and advantageous industries in the county, optimize the county level industrial system, and strengthen industrial support. The government should actively encourage enterprises to establish cooperation platforms with higher education institutions or research institutes, not only providing good practical bases for researchers, but also facilitating scientific research institutions to carry out targeted technology research and development activities; Encourage local leading enterprises to increase R&D investment through taxation and other means, promote industrial technology upgrading and transformation, and promote high-quality development of enterprises; Utilizing the advantages of agricultural location, extending the agricultural product industry chain, cultivating new high-value agricultural product processing formats, and improving the quality of agricultural development.

Secondly, diversified development is necessary. The development of county-level urbanization should be based on the development foundation and laws of each county, pay attention to classification guidance, and promote county-level urbanization according to local conditions. The development of urbanization in Chinese counties can be divided into five types: surrounding areas of large cities, specialized functional counties, main agricultural product producing areas, key ecological functional areas, and population loss areas. For counties in the surrounding areas of large cities, it is necessary to strengthen division of labor and cooperation with central cities, play the role of urban function alleviation, and provide supporting functions

such as production and manufacturing, leisure and health care, and agricultural product supply for central cities; For county towns with potential for industrial and population aggregation, but with obvious shortcomings, scientific planning should be carried out to address their shortcomings and improve the county's carrying capacity; For key ecological functional areas, the government should do a good job of relocating and relocating, scientifically select sites, and ensure the provision of high-quality public services and social security for county residents.

Thirdly, we need to share development. County level urbanization should be centered around people, expand the autonomy of county level development, and share development achievements. Reasonably allocate the power and financial power between the central and local governments at all levels, clarify the principle of division of powers among municipal and county-level governments, allocate financial power reasonably, ensure the matching of power and financial power, and reduce the financial burden on county-level governments. Strengthen the construction of county-level education consortia, medical communities, and elderly care service systems, improve the quality and equalization of public services for urban and rural residents in the county, and promote common prosperity between urban and rural areas.

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