Strategic transformation of ecological civilization and Rural Revitalization

Comprehensive report outline of learning the 19th Communist Party of China National Congress documents

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西方生产过剩 - 大萧条
美国罗斯福新政逆周期 - 复苏
美国获得战争红利崛起
中国因和平红利而再度贸易顺差...
中国贸易顺差 - 西方侵略 - 鸦片化 - 赤字 - 分裂
西方生产过剩 - 大萧条；美国
罗斯福新政逆周期 - 复苏

图表来源：Angus Maddison Project, International Monetary Fund (IMF), Bower's Net
Preface: China's major strategic adjustment in twenty-first Century - ecological civilization + rural revitalization

- The global crisis stems from the modernized institutional cost of "development doctrine": colonization and capitalization.
  - The colonial expansion of western countries breeds "modernization", accompanied by huge costs and vicious shifts.
  - Overproduction + national competition = comprehensive crisis, resulting in the second Western World War.
  - After the war, the third world accepted industrial transfer, which brought capitalization and "developmental ideology" ideology.

- The strategic adjustment of China in the new era: the concept of ecological civilization and the new policy of people's livelihood; the goal of 2020 in rural China: two oriented agriculture and poverty eradication
  - The traditional strategic dilemma constrained by national conditions and tightening security (external regional conflicts prevent Chinese industrial expansion + internal rise of middle class challenges the two ends). For example, industrialization, informatization, urbanization and agricultural industrialization.
  - The central government has put forward major strategic readjustment: year 99 people oriented, year 02 urban and rural co-ordination; year 03 scientific outlook on development, year 04 harmonious society, year 05 new rural construction; year 06 agricultural multi-function; year 07 ecological civilization development concept, year 08 macro control, year 09 inclusive sustainable development, year 12 beautiful China, year 13 beautiful countryside, year 15 ecological civilization reform, year 16 green production mode, year 17 revitalization strategy (ecology, life and production + literary administration).
The synchronization of American industry decline and military enhancement

From the overproduction of the last century which triggered the world war to the financial surplus which triggered global turmoil, the lessons of human development are worth summarizing. China is now facing double crises: the second overproduction and the simultaneous financial overproduction...
Import crisis: declination of external demand + western investment as the first force to restrict foreign investment

Overproduction (2008 Western crisis triggered China's second industry capital surplus)

Investment of state-owned-enterprises pulls and expands domestic demand

Do state-owned enterprises cause debt? Inefficiency / low tax / low employment?

Regional debt

Heavy investment occupied

Rise of bank lending

Financial expansion

Financial expansion

Bank asset precipitation

Increasing liquidity of the central bank (financial capital excess)

Hedging of foreign exchange earnings

The Belt and Road Initiative

Regional integration

Rural revitalization

Opportunity income

Society and capital to the countryside

Integration of urban and rural areas, collective / cooperation, three treatments, ecology, life and production capitalization of ecological resources

Only absorbing liquidity strategy can prevent crisis bottom line being broken through.

China's twenty-first Century development dilemma and strategic adjustment
Rural improvement in the century of modernization

Practice Principle: **3S**: local resources **sovereignty**, multi-interest **solidarity**, eco-sustainable **safety**, summarized in 2012

RR Experiments of New Century: initiated in 2001 by intellectuals organize students for helping peasants rights protecting, setting up RRI for free peasants’ co-op training in 2003. And RR added 3 alternative model from West: 1st was Fare Trade to bridge urban green consumers movement in 2006, 2nd was CSA ecologic farm in 2009, 3rd was transition towns for rural cultural regeneration in 2012...Recently, it is the 1st time of RR as social platform organized World CSA and Organic Agriculture Conference in 2015...

The socialist ideology with Chinese characteristics in the new era: alleviating the imbalance and insufficient principal contradiction requires new

Farmers who “know one and love two”.

➢ Know: Ecologic Agricultural (Security)
➢ Love: Peasants’ Rights (Solidarity)
➢ Love: Rural Environmental (Sustainability)

Policy Change: Three Agrarian Issues- Rural Construction- Rural Regeneration
2. The worldwide significance of Rural Revitalization: the heterogeneity of capitalist agriculture and China’s experience

- Agriculture itself has the characteristics of highly integrated natural process and economic process. World Agriculture is divided into three different types, because its characteristic of combination of the process of nature and socio-economy can not be off by modernization:
  1. Anglo-American model of capitalized big farm was caused by colonization (eg., USA, Canada, Australia), now turned into financialised agriculture controlling world market by big forms — the large scale and capitalization of agriculture resulted from the complete colonization, which brought the subjective conditions of rich resources. There were corresponding to corporatization and industrialization.
  2. Rhine model of medium and small farm in former colonial master countries (eg., EU), now 60% of farmer are middle calss from urban who towards green agriculture not for market competition but for environmental reserve — Because the absolute value of the population growth in Europe was greater than the absolute value of the migration of the population, the resources were becoming more and more limited, which can only be combined with the agricultural capitalization and ecology, and 60% of the farm is operated by the facultative middle class citizens. On one hand, the agriculture was generally not competitive in the free market system, on the other hand, green social movement, highly related to agricultural ecology rose from Europe.
  3. Asiatic model of peasants’ ecologic agriculture of Asian countries with a substantial indigenous population that was not colonized by West, now setting up gov’t. organized peasants’ multi-function co-op for agri-security and rural sustainability — because of the high tension between people and the land, the government involved even intervened under the strategic goal of the state. The stability of the Three Rural Issues can be maintained through the integration of the comprehensive cooperative system of the generalized system of universal rural population to realize the capitalization of social resources. The economic foundation of East Asian small rural society was dominated by indigenous people.
Land Reform in E. Asia, despite vast difference in ideology, got the highest numbers of beneficiaries formed low class.

### East Asian Land Reform Made the Largest % of Population as Petty Bourgeois

<table>
<thead>
<tr>
<th>Country</th>
<th>Arable Area Redistributed (Ha)</th>
<th>As % All Arable Land</th>
<th>Number of Beneficiaries (Households)</th>
<th>Number Beneficiaries as % Rural Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Bengal, India</td>
<td>1,010,000</td>
<td>14.9</td>
<td>2,040,000</td>
<td>34.0</td>
</tr>
<tr>
<td>All India</td>
<td>9,800,000</td>
<td>5.4</td>
<td>12,400,000</td>
<td>6.5</td>
</tr>
<tr>
<td>Philippines*</td>
<td>5,800,000</td>
<td>47.0</td>
<td>3,040,000</td>
<td>10.0</td>
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<tr>
<td>Vietnam</td>
<td>11,000,000</td>
<td>50.0</td>
<td>210,000,000</td>
<td>75.0</td>
</tr>
<tr>
<td>China</td>
<td>67,000,000</td>
<td>50.0</td>
<td>210,000,000</td>
<td>80.0</td>
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<tr>
<td>Taiwan</td>
<td>278,307</td>
<td>18.0</td>
<td>432,000</td>
<td>65.5</td>
</tr>
<tr>
<td>Japan</td>
<td>2,000,000</td>
<td>80.0</td>
<td>1,300,000</td>
<td>60.9</td>
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<tr>
<td>Korea</td>
<td>577,000</td>
<td>55.0</td>
<td>1,645,000</td>
<td>78.0</td>
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<tr>
<td>Chile</td>
<td>8,617,000</td>
<td>93.1</td>
<td>88,000</td>
<td>12.7</td>
</tr>
<tr>
<td>Brazil</td>
<td>18,100,000</td>
<td>11.3</td>
<td>268,000</td>
<td>8.4</td>
</tr>
<tr>
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<td>42.0</td>
<td>3,044,000</td>
<td>67.6</td>
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<td>Bolivia</td>
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<td>32.8</td>
<td>297,000</td>
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<tr>
<td>Port</td>
<td>8,556,000</td>
<td>28.1</td>
<td>375,000</td>
<td>30.8</td>
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<tr>
<td>N Iran</td>
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<td>47.1</td>
<td>172,000</td>
<td>56.7</td>
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<tr>
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<td>120,000</td>
<td>12.0</td>
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<tr>
<td>Cuba</td>
<td>80.0</td>
<td></td>
<td>80.0</td>
<td>78.0</td>
</tr>
<tr>
<td>Venezuela</td>
<td>18.3</td>
<td></td>
<td>24.4</td>
<td>18.5</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>7.1</td>
<td></td>
<td>7.1</td>
<td>18.5</td>
</tr>
<tr>
<td>Egypt</td>
<td>360,000</td>
<td>15.4</td>
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<td>12.0</td>
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<tr>
<td>Zimbabwe*</td>
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<td>11.9</td>
<td>40,000</td>
<td>2.1</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>88.0</td>
<td></td>
<td>88.0</td>
<td>82.0</td>
</tr>
</tbody>
</table>

In the twentieth century, the cold war in the West prompted the East Asian aboriginal society to divide the land again, forming the social base of institutional income and steady state. China’s industrialization in the half century was still mainly due to the village rationality after the land reform. ...under the west cold war, indigenous oriental society regained the equal land system & contributed to regeneration.
Latin A. Urbanization Trap by colonist scaling economy: no labor pool for national industrialization but more poor in slum more public deficit more dependence

➢ world excess capital grabbing land for big farms & accelerating urbanization meant scattered poor to be concentrated into big slums, governed by low cost gangdom.
➢ The Lesson of hungered south countries losing food sovereignty: foreign company benefited from agriculture future market globally, made local labor price increment, since they pay high price than overseas when food import enlarged. It means no chance of primary accumulation for local industrialization, but selling raw materials as poor countries

Brazil, San Polo: slum caused by accelerating urbanization & low class protest for public expends for welfare reduction since global crisis…
legal Land Reform Turning to Peasants' Gorilla Struggle in India

➢ Gandhi, the father of India, proposed peaceful land reform, but there were few responders. 1/3 Indian peasants is landless, jobless & security-less, 2/3 of states facing the challenge of gorilla fighting joint by lower caste

➢ 90% employees are in grey economy, caused by accelerate urbanization with poor slums blocking FDI & national industrialization...

Left 1: Indian Maoist gorilla movements
Left 2: PLA in mountain Jangle areas

Right 1: I visited northern Indian villages in 2005
Right 2: Peasants anti land grabbing in West
The urban and rural integration business of Hansalim: in December 2017, there were 220 stores nationwide, 500 thousand members and 3 thousand family farms.
A farmer's market in Ithaca, New York

A street farmer market in the streets of London

A vegetable garden on the coast of the Thames in London

A farm on the roof of Brooklyn, New York
Modernization Trap: Three Major Global Capital Surplus Caused Agro-eco-environment Crisis

➢ Financial capital surplus shifts crisis to agricultural future market, transit its costs into producers and consumers ---- investment on raw materials and agricultural commodity futures aggravated fluctuation.

➢ Industrial capital surplus enlarges food industrial chain in absorbing surplus production capacity----food overall surplus causes global food output and food calorie supply surplus, gradually reducing the proportion of producer gains in food expenditure.

➢ Commercial capital surplus causes serious competition in multiple distribution link (Per capita heat demand corresponds to excess food per capita 1/3) ----overall food surplus and regional systematic shortage co-existence.

➢ social conflicts = market failures + government failures
  ➢ On one hand agricultural pollution, food unsafe, social credit shortage and government failure in market supervision.
  ➢ on the other hand, over-production of food, large amount squander and poor hunger side-by-side...
Question awareness: is food safety not affected by insufficient production?

China has entered the industrial surplus in 1998 for 15 years, and it has been 10 years of agricultural surplus since 2003. New normal?

- As shown in the picture, the main production demand gap in the international market is soybean in recent years, and the other three major grains are more than needed. The imbalance between supply and demand of the four major grain supplies has not been apparent from a historical point of view since twenty-first Century. In recent five years, the situation of grain supply and demand has also become more and more balanced. According to the analysis, the global grain output is calculated by 1/3 of the calorie of per capita health demand, and the reason why the poor are hungry is the irrational institution which aggravated the differences between the rich and the poor.

- At home, the challenges brought by global grain financing to China’s food security are:
  - The price of grain is separated from the basic side of supply and demand. The pricing power falls on the operation information and futures of the multinational corporations in financial countries; the uncertainty of the grain market increases with the chain reaction; the production, reserve, import and export and related departments belong to different systems. The segmentation is easy to cause the crisis of grain gold meltdown; the objective result of grain fluctuation is a factor to aggravate the difference between the rich and the poor.
  - Food producers, consumers and local governments do not bear the responsibility of security. While the high grain prices have led to the deterioration of the living conditions of the low-income class, the public lack of social organization innovation conditions, and the food culture is completely controlled by "consumerism" and abandoned by the “economism”, resulting in a vicious cycle of food waste to stimulate government subsidies on chemical fertilizers, pesticides and machinery, which not only aggravates the destruction of the resources and environment, but also makes the policy demands and psychological expectations of China’s food security more dependent on the external market.
What China did: 1960-70’s rural comprehensive reconstruction initiated by gov., mobilizing surplus rural labor as the investment into the state infrastructures, to replace capital shortage caused by SSSR canceled strategic aid in 1960...

3. Realistic significance of Rural Revitalization: three rural construction should deal with crisis and alleviate imbalance

China is the only one industrialized developing country by internal primary accumulation with mass indigenous commune’s contribution, in name of socialist planning economy...

Old China’s primary capital accumulation

New China’s Primary Capital Accumulation
Continue to rely on urbanization to maintain investment to stimulate growth? Heavy pollution caused by industrial clusters superimposing urban zones

2/3 provinces in China fallen into air pollution, most are developed east area.
Rebalancing of urban and rural areas with Chinese characteristics: changes in national development strategy and financial support for agriculture investment

In 1985, after a significant reduction in grain production, the investment in supporting agriculture was restored to the level of 1980, and then suffered 1988-89 years of stagnation crisis, and the growth rate of farmers’ income declined.

In 1994, tax sharing reform and financial support for agriculture investment were undertaken by local governments, resulting in increased burden on peasants, outflow of labor force, land occupation and increased rural conflicts.

In 2002, the central government stressed the importance of three rural issues and increased investment in financial support for agriculture.

In 2005, the central government implemented major strategies such as new rural construction and urbanization. State and provincial finance mainly invested in supporting agriculture.

Year 1998 faced with East Asian financial turmoil and the government increased financial bonds to rescue the market. The outflow of the three elements of rural areas increased.

In 2009, the investment in financial support for agriculture exceeded trillion, which is 100 times that of 30 years ago.

Since 2011, the investment in financial support for agriculture exceeded trillion, which is 100 times that of 30 years ago.
Agricultural safety: China's non-point source pollution originates from the scale abandoned by Europe and Japan

- Negative Externalities of Ecologic Security by Duplicated Agro-Modernization
  - Annual animal husbandry: 0.7 billion Pigs, 13 billion poultry...with 4 billion feces
  - Agro-pollution contributed to area-pollution more than city and industry (State Council announced in 2007)

- 700 million pigs a year, 570 million sheep and 150 million cattle.
- 38 million tons of feces and urine a year (2012)

Chemical oxygen demand; total nitrogen; total phosphorus

The number of livestock raising is fast, the degree of intensification is high, and the amount of livestock manure emission is large, which are the main body of agricultural non-point source pollution.

Proportion of agricultural sources (published by the State Council in 2007)

COD95.8%, TN37.9%, TP56.7%

Livestock and poultry breeding wastes are changed from traditional farm manure to pollutants!

- The scale and intensification of aquaculture increased rapidly. Planting and breeding disjointed.
- The way of cleaning manure is unreasonable and the proportion of water flushing is high.
- Lack of solid liquid separation, rain and sewage diversion and excrement storage and treatment facilities.
- Faecal production and cropland utilization are misplaced and are randomly stacked during non fertilizer period.
4. Test case of ecological civilization + Rural Revitalization: interaction between urban and rural areas and social agriculture

President Xi Jinping 2011’s overseeing include Nanmazhuang Ecologic Village Experiment led by RRM since 2004

38 villages’ leader signed the safe agriculture in 2005

set up CSA for Fare Trade in 2008, organic farmers’ market in 2010

Green rice coop got chance of free launch in Beijing supper market, in 0315, 2006

Children Education for Family Harmony in citizens’ farm
Experiment zone of the Rural Construction Center of the Universities

Early experiments had centered in grass root three agriculture domain, focus on citizen agriculture.
case 1: Renmin University of China and Haidian District Gov. jointly build an university research based experiment
case 2. Eco agricultural improvement--How to realize the green production mode based on “resources saving & environment friend agriculture"

Multi Eco-Agriculture
Animal Husbandry/toilet bio-gas/vegetables/fruit garden/fish pound
Case 3: Eco-architecture by volunteers’ movement with Rural Reconstruction Center

The 1st group eco-architectures of YIRR built by Taiwan designer & volunteer with local recycling materials in 2005 (office/house/meeting hall), now more accepted by rural people.
Citizens' going to the countryside and the rise of the culture of the college's homestay -- a case of repricing rural resource assets

Left: Guanzhong village, Minhou County has been rebuilt into Guinong Academy.
Right: Adobe house in 1960 was remade into homestay by middle class citizen.
Multi-functional Ecologic Agriculture Joint by Urban Consumers Co-op
Fujian Jinjiang agriculture bureau promotes ‘Citizens going to the countryside, and agriculture going to the city’

The promotion of rural "five micro" construction (micro landscape, micro vegetable garden, micro courtyard, micro forest, micro wall painting, combined with landscape greening, to create a beautiful green ecological home).

Case: Jinjiang has carried out micro landscape creation from three levels of city, town and village. In October 1st, the "Rural Micro landscape national day construction camp" was officially opened in Jinjiang. More than 90 professional designers from all over the country were stationed in the beautiful countryside of Jinjiang. In a short period of 7 days, under the support of the local village (community) cadres and the masses, each team held factors such as “human, literary, land production, scenery”, fully excavated the village culture and created 19 rural micro landscapes, which have both beautifulness and connotation.

Hundred students and villages plan in cooperation with universities and colleges in the province, hundreds of college students are introduced as volunteers to serve rural construction every year. It is planned to cover the village (community) in three years.
Xuzhi plot, Xinzhou District, Wuhan City, all people joined the Co-op stock.

Xuzhi plot has an area of 0.49 square kilometers, 119 households and 386 people. Before 2016, those people raised 20 thousand chickens and built 102 dry toilets.

- Land shares: more than 320 mu (6 million 400 thousand yuan by stock conversion)
- Housing stocks: 96 *165*1.2*1000 yuan (19 million 80 thousand yuan by stock conversion)
- Cash shares: 1 million 385 thousand yuan +16.37 million yuan =154.87 million
- Labor force shares: more than 10 thousand workers (820 thousand yuan by stock conversion)
- Collective assets: about 3 million yuan (not yet liquidated)
- A total of about 30 million 848 thousand and 700 yuan
- Socialism: all the people's multi factor cooperation + party organization + traditional culture
- Market economy: Capital + scale + division of labor + rules + Trading

Baxiangjiunong tourism cooperative is the project legal person, which entrusts Lvxiangmeng volunteer team to attract external investment. The investment objects are clever men; the project is divided into 5 packages; walking street bag (special breakfast and local special product sale bag), Water River Restaurant bag, land bag, house bag and fish pond beach field bag.
Pictures of The CSA National Conferences hosted by RR, upper is the 3rd in BJ and lower is the 6th in Fuzhou, also set up Ecologic Agri. Coop Network in 2012.
The community supported agriculture (CSA), which originated in the middle of the last century, is an organic agricultural movement with an independent nature in the world. It is the only model of eco agricultural mutual aid that shares risks and health benefits by agricultural producers and consumers. No chemical fertilizers or other agricultural inputs contrary to sustainable principles are adopted throughout the breeding season. Consumers become farm investors, sharing risks and sharing profits with producers. The CSA model born out of short chain agriculture is highly shared with Internet Ecosystem thinking, and the key words such as sharing, open and long tail are all reflected. The production of agricultural products is made according to the agreed quota of the two parties, and the production plan is delivered directly. The membership system reduces market risk. Reducing the intermediate links of traditional agricultural marketing mode, increasing the reasonable profits of producers, and protecting consumers' health rights and interests.
Comparative Advantage? There is no extremely poor, but low ability for cash expends in rural, saving gov. budget. There is no proletariat like Europe in 19th century but migrants labor from petty bourgeoisies who tolerant low salary, saving industrial cost...
Rural Regeneration for Ecologic Civilization in Modern China

• Q & A
• Thanks