



Difficulties and Paths of Migrant Workers Returning Home Businesses Under the Background of Rural Revitalization

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Abstract. Migrant workers returning home businesses has solved the livelihood problems of some migrant workers, and played a significant role in rural development, reducing the obstacles of the urban-rural dual system and mechanism, and realizing rural revitalization. However, migrant workers still face many difficulties when they return home to start their own businesses. This paper expounds the significance of migrant workers returning home to start a business, analyzes the difficulties faced by migrant workers returning home to start a business, and puts forward some suggestions for improvement.

Keywords: Migrant workers · Returning home business · Rural revitalization

1 Introduction

Following the new rural construction strategy, the rural revitalization strategy has become another major strategy to solve China's problems related to agriculture, rural areas and farmers. It explicitly encourages migrant workers and other people to return to their hometowns for innovation and entrepreneurship. In recent years, migrant workers have become the most dynamic entrepreneurial force under the background of mass entrepreneurship and innovation. The return of migrant workers to their hometowns to start their own businesses has solved the livelihood problems of some migrant workers, promoted the development of local employment, spread new technologies, new knowledge, new ideas and new culture, and promoted the construction and training of local talents, which has played a significant role in rural development, reducing the obstacles of urban-rural dual system and mechanism, and realizing rural revitalization. Migrant workers returning to their hometowns to start their own businesses refer to those migrant workers who have left their own counties, townships, towns or villages to work or start their own businesses for more than half a year, and then, after returning to their local areas, register with the industrial and commercial authorities or be identified by the agricultural authorities to engage in entrepreneurial activities.

2 Literature Review

Chinese scholars have conducted many studies on migrant workers returning home to start their own businesses, and the main research results are as follows.

Liu Xinmin et al. (2022) believe that the implementation of the rural revitalization strategy needs a large number of innovative and entrepreneurial personnel to inject power and vitality, so the entrepreneurship of returning migrant workers has attracted much attention. Using the data of The Chinese Family Tracking Survey (CFPS) and based on the trait motivation theory, this paper empirically studies the impact of entrepreneurship and entrepreneurship environment in migrant workers' cities on their return to their hometown and its mechanism.[1] Zhao Lianfei (2021) believes that at present, migrant workers returning home to start their own businesses are still restricted in terms of capital, human resources and policy environment. The government should make efforts in making plans, providing support for core elements, strengthening policy matching and expanding education and training. [2] Jiang Xuehui (2021) believes that migrant workers returning home to start their own businesses in the new era spreads urban civilization to emerging towns, which plays a positive role in solving the current problems of urbanization construction in China. [3] Shi Danxi (2021), based on the data analysis of the questionnaire survey of 1131 returning entrepreneurs of migrant workers in 16 counties of Hubei, Chongqing, Hunan and Guizhou provinces (cities), adopts the single index entrepreneurship quality evaluation method to measure the results. Gender, education level, working experience, years of starting a business, vocational skill level, cadre friends and relatives starting a business, Internet + starting a business, and returning business policy have a significant impact on the quality of migrant workers returning home to start a business. [4] Bu Junfeng (2020) believes that migrant workers returning home to start their own businesses are the backbone of rural revitalization. The return of rural labor force brings new opportunities for rural economic and social development. Many problems are encountered in the process of returning migrant workers to start their own businesses, which must be solved by effective measures. [5] Huang Jianxin (2020) believes that it is an important policy proposed by the central government to support migrant workers to return home and start their own businesses. Through the investigation, it is found that the field of migrant workers returning home to start their own business is extensive and intensive. The reasons are that the implementation of entrepreneurship support policies and the lack of integration of capital, technology, talent, land and other factors affect migrant workers' return to their hometowns to start businesses. [6] Du Kun (2019) believes that more and more migrant workers choose to go back to their hometowns to start businesses. This can effectively solve the problems such as low income of farmers, backward rural collective economy and planning in the development of local economy, thus promoting the development of agricultural production, improving the appearance of rural areas, and improving the living standards and spiritual civilization of farmers. [7] Li Yanhua (2019) believes that migrant workers returning to their hometowns to start their own businesses can not only solve the problem of farmers finding jobs in cities, but also provide a new idea for the economic development of rural areas. Therefore, relevant departments should strengthen the research, combined with the actual situation of the region, formulate a perfect support system for migrant workers to return home to start their own businesses, to achieve an overall improvement of farmers'

living standards. [8] Wang Yifan (2018) believes that the return of the new generation of migrant workers to their hometowns to start their own businesses is of great practical significance in driving the employment transfer of rural labor force and realizing new industrialization and urbanization. However, due to the limitations of subjective and objective factors, they are faced with difficulties when they return to their hometowns to start their own businesses. [9] Wang Duyou (2017) believes that with the faster and faster flow of production factors between urban and rural areas, more and more migrant workers choose to return home to start their own businesses. These migrant workers drive rural development by obtaining various resources in cities. However, due to the limitations of their own conditions and surrounding environment, migrant workers face many difficulties in the process of returning home to start a business [10].

3 The Significance of Migrant Workers Returning Home Business

It is of great significance for migrant workers to return home and start their own businesses. Returning home to start a business expands labor transfer employment, increases the way to increase income, and improves the economic status of individuals. In particular, some returning startups engaged in breeding and breeding have solved the employment problem of local people who cannot go out due to family care or age, effectively increasing farmers' income, enhancing families' ability to resist risks, and thus contributing to local poverty alleviation and social governance. After experiencing the marketization wave, returning entrepreneurs bring their accumulated capital, human capital, technology and management experience back to their hometowns, directly narrowing the development gap between urban and rural areas. Returning home to start businesses has invigorated the rural economy and promoted the adjustment and upgrading of the rural industrial layout. When migrant workers return home, they combine their advantages with local resources to start businesses. They have expanded the modern agricultural industry chain by developing agricultural product breeding, processing and logistics services, and spawned the emergence of new agricultural business entities. In addition, returning home to start a business can help migrant workers realize their self-worth and strengthen their sense of identity. This will help reduce the cost of social governance and promote family and social harmony.

4 The Difficulties of Migrant Workers Returning Home Business

4.1 There are Difficulties in Financing Returning Home Business

Financing difficulty is an important problem for migrant workers to return home to start a business. Migrant workers own capital is insufficient and loan repayment ability is limited. Commercial banks are reluctant to lend too much because of their higher credit risk. In addition, bank loan procedures are complicated, lasting for a long time and the loan amount is low, so most migrant workers are not willing to apply for bank loan. Although local governments encourage migrant workers to return home to start businesses, they lack specific policy support and do not provide necessary financial support. For returning entrepreneurs, the main source of start-up capital is borrowing money from relatives.

Relevant financial support policies are difficult to implement migrant workers returning home to start businesses. There is not enough connection between entrepreneurship policy and financial policy. In addition, migrant workers themselves have low financial literacy. They are not familiar with the loan process, the operation of loan funds is not standardized, personal credit rating does not pay attention to the phenomenon, these factors also lead to the financing difficulties for them to return home to start a business.

4.2 Entrepreneurial Environment in Rural Areas is Poor

Compared with cities and towns, the entrepreneurial environment in rural areas is relatively poor. Rural water conservancy, electricity, transportation, communications and other infrastructure is not sound. These deficiencies increase the cost of entrepreneurship, reduce profits, and have a greater impact on the success of entrepreneurship. The lack of technology and talent in rural areas makes it difficult for enterprises to recruit workers. Many young people yearn for urban life, but they still do not want to stay in rural areas even if the salary is higher, which leads to the poor stability of employees and further affects the orderly development of enterprises. The credit environment in rural areas is poor, and the payment for goods of entrepreneurial enterprises is often in arrears, which leads to the poor operation of funds and affects the development of enterprises. Rural information service platform, e-commerce platform is not perfect, resulting in low efficiency of product circulation.

4.3 The Entrepreneurial Ability of Migrant Workers is Low

Returning entrepreneurs have low human capital and lack of technological innovation. Only a small percentage of migrant workers have any experience in entrepreneurial skills training. But their mastery of skills and knowledge is still inadequate. The low level of education restricts the entrepreneurial development of migrant workers, which is often manifested as the lack of overall development planning and scientific management knowledge. In the entrepreneurial stage, they are often powerless in the system design and planning of enterprises or companies. They often blindly choose their own paths and projects. Due to the lack of consideration of the selected project and target market matching degree, cannot meet the needs of new rural construction, also lack of long-term planning.

4.4 There is Little Support for the Policy of Returning Home Business

In order to stimulate the enthusiasm of migrant workers to return home and start their own businesses, the central and local governments have introduced many preferential policies and incentives. However, due to inadequate publicity, most migrant workers failed to timely learn and understand the relevant preferential policy information. In some areas, preferential policies issued by the state or higher level governments cannot be effectively implemented. In particular, the implementation of tax and exemption policies for returnees who start businesses has not been fully implemented. Even a few places have not formed practical and targeted support measures for returning home to

start a business. From application to normal operation, enterprises need to go through a number of agencies, involving a number of links, such as industrial and commercial registration, health and safety permits, office certificates, fire permits, architectural design and planning, and so on. Almost all of these procedures have to pay a certain fee, and administrative fees increase the cost of starting a business objectively, which seriously troubles migrant workers returning home. The effect of local government's leverage of fiscal and tax funds to support migrant workers' entrepreneurship is not particularly prominent, and there are problems such as insufficient small and micro finance and lagging financial supervision in the support of entrepreneurial capital.

5 Conclusions

Returning migrant workers are the backbone of rural revitalization. The return of a large number of rural labor force brings new opportunities for rural development. It can not only promote the dissemination of technology and culture, but also help to promote regional economic development and relieve employment pressure to a large extent. In order to stimulate the enthusiasm of migrant workers returning home to start their own businesses, and guide and support migrant workers returning home to start their own businesses, effective countermeasures must be formulated.

(1) We should broaden the financing channels for returning home to start businesses. Governments at all levels should, under the guidance of macro policies, encourage financial service institutions to realize service innovation and provide credit support for returning migrant workers to start businesses. Banks, credit cooperatives and other financial institutions in rural areas should actively innovate and lower the loan threshold for migrant workers. We should expand the pilot scope of new rural financial institutions, give full play to the advantages of new rural financial institutions, and provide corresponding credit support according to different development stages of entrepreneurship. In addition, we should pay attention to rural credit system construction. Returning migrant workers with higher credit can lower the loan threshold and obtain a higher credit limit.

(2) We should build a good entrepreneurial environment. Local governments should actively increase rural infrastructure construction. In addition to the construction of transportation, network and water conservancy, local governments should also pay attention to the construction of facilities in rural areas such as education, health and sports. The local government should formulate effective policies and increase financial investment to promote the construction of rural infrastructure.

(3) The government should carry out entrepreneurial skills training to enhance the entrepreneurial ability of migrant workers. In view of the lack of entrepreneurial ability of returning migrant workers, the government should actively carry out entrepreneurial skills training for migrant workers. Local governments should set up special financial funds to hire experts and scholars in related fields to train returnees in advanced enterprise management system in a planned and step-by-step manner. In addition, it is necessary for the government to set up expert service teams to achieve seamless connection between migrant workers returning home to start their own businesses and professional and technical personnel, timely help them solve the technical problems encountered in the

production of enterprises, and provide important guidance for the technological progress of enterprises.

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