

## Willingness and Innovation to Return Home and Start Businesses

LIN Qiaoyan<sup>[a],\*</sup>

<sup>[a]</sup> Professor, Taizhou Open University, Taizhou, China.  
\* Corresponding author.

Received 8 December 2022; accepted 6 February 2023  
Published online 26 March 2023

### Abstract

The new generation of migrant workers is an important force in the current rural development, so how to strengthen the willingness of the new generation of migrant workers to return home, how to achieve the growth of entrepreneurial aspirations of migrant workers returning home, and how to expand entrepreneurship in multiple fields is a practical problem that needs to be solved urgently. It is a long-term issue to analyze the willingness of migrant workers to return home and start businesses on the basis of full understanding of the new generation of migrant workers, which is also a common concern of all sectors of society.

**Key words:** The new generation of migrant workers; Willingness to return home and start businesses; Innovation mechanism

Lin, Q. Y. (2023). Willingness and Innovation to Return Home and Start Businesses. *Higher Education of Social Science*, 24(1), 14-17. Available from: URL: <http://www.cscanada.net/index.php/hess/article/view/12925>  
DOI: <http://dx.doi.org/10.3968/12925>

The new generation of migrant workers is an important force in the current rural development. It can be said that it is a product of institutional innovation. How to make the new generation of migrant workers' willingness to return home stronger and stimulate their own innovation mechanism has become a practical problem. Analyzing the willingness of migrant workers to return home and start businesses on the basis of a full understanding of the new generation of migrant workers is a long-term issue and a common concern of all sectors of society.

### THE WILLINGNESS OF THE NEW GENERATION OF MIGRANT WORKERS TO RETURN HOME AND START BUSINESSES

In January 2010, the State Council issued the Several Opinions on Strengthening the Coordinated Development of Urban and Rural Areas and Further Consolidating the Foundation of Agricultural and Rural Development, which put forward the important concept of the new generation of migrant workers for the first time, and put forward that the new generation of migrant workers have rural hukou, do not work in rural areas, are at least 16 years old, live in urban areas for a long time, have a relatively poor living environment, and are extremely vulnerable to social inequality, so to speak, Rural residents who have registered permanent residence in rural areas but do not engage in agricultural activities in rural areas, and were born in the 1980s, are known as the new generation of migrant workers. Although the living environment of these groups in cities is relatively poor and they will be treated unfairly, they still do not want to return to the countryside. Based on comprehensive analysis, there are several main situations of migrant workers' willingness to return home and start businesses.

The experience of entrepreneurship abroad is an important reason for the return of migrant workers to start businesses, and the proportion of active return is very low. The primary reason for returning migrant workers to choose entrepreneurship is that they have engaged in it before. Such experience obviously lowers the threshold of entry and has a positive effect on returning migrant workers' entrepreneurship.

The form of entrepreneurship of migrant workers returning home is relatively simple, and the industrial development is uneven. Many migrant workers are restricted by the agricultural operation thinking. The final

choice of entrepreneurship is to choose the agricultural field that migrant workers are good at. How to realize the transformation of agriculture to the secondary industry and the tertiary industry and the combination of the three industries are the issues that the new generation of migrant workers should focus on when starting their businesses. With the government's policy guidance, it is a breakthrough for migrant workers to start their businesses and an important bottleneck for returning home.

There is a small correlation between entrepreneurship of migrant workers returning home and the occupation of migrant workers. The migrant workers' experience of going out to work and doing business, especially the occupation they have engaged in in the past and the accumulation of professional skills, are the advantages of returning migrant workers' entrepreneurship. Since the relationship between homecoming entrepreneurship and migrant workers and entrepreneurship is relatively low, entrepreneurship has certain risks.

As for the conditions for returning migrant workers to start businesses, capital, technology, labor and other production factors need to be strengthened, and the government's policy support coverage is small. First of all, the scale of investment in entrepreneurship of migrant workers returning home is small, and they are mainly self-accumulating, and the support of formal finance is limited. The initial investment scale of most returning migrant workers' entrepreneurship is not very large, which is related to the concentration of returning industries in labor-intensive traditional industries. Relatively speaking, the initial investment scale of agricultural moderate scale operation activities is relatively large. Secondly, there are quite a number of migrant workers who return home without technology. In the past, migrant workers' study abroad and new learning after returning home are the main skills support for returning migrant workers to start businesses. Finally, local policy support is relatively small. While attracting investment in many places, migrant workers' return to home to start businesses is not regarded as a priority, which is also an important obstacle for returning to home to start businesses. Government agencies often think that homecoming entrepreneurship can not drive the development of local county economy, but this thinking is often wrong. Investment promotion is a big policy, but in the process of investment promotion, if the upsurge of migrant workers' homecoming entrepreneurship is stimulated, it is also a powerful way to accelerate economic development, It can be said that the lack of policy support is an important obstacle to the stagnation of entrepreneurship of migrant workers returning home.

Returned migrant workers who have started businesses have a relatively high willingness to continue

to start businesses in the future, but most of them have no plans to expand their business scale and scope. In fact, in order to promote the entrepreneurship of migrant workers returning home, the local government has issued a special policy document to support migrant workers returning home for entrepreneurship, which clearly proposes to increase the support of entrepreneurship guarantee loans. The lack of funds has become the primary problem for migrant workers to return home and start businesses, indicating that the financial support of the government needs to be further strengthened. In addition to increasing the amount of loans, the application threshold should be further lowered and the service quality should be improved.

## **ENTREPRENEURSHIP WILLINGNESS OF MIGRANT WORKERS WHO HAVE NOT STARTED THEIR OWN BUSINESSES**

About 1/3 of the migrant workers who have not started a business have the desire to start a business. It can be seen from the survey that many migrant workers who have not started their own businesses still have a certain willingness to start their own businesses, but they are mainly concentrated on those who have a certain skill in the city or have a certain amount of capital accumulation, and also have certain advantages in employment.

Returned migrant workers with entrepreneurial intentions plan to start businesses in the traditional tertiary industry. About half of the returning migrant workers who have entrepreneurial intentions have planned entrepreneurial projects. These entrepreneurial projects are mainly in the field of traditional industries, but they are different from those that have already started. About 1/4 of them plan to carry out commodity retail activities, and 1/5 plan to engage in catering industry, which are the two largest industries. One in six or even fewer people plan to engage in aquaculture, but no one chooses to engage in farming. The survey results show that migrant workers who are willing to return home to plan to start businesses tend to choose family business.

The main problem faced by returning migrant workers who are willing to start their own businesses still points to capital. The migrant workers who are willing to return home believe that the first problem facing entrepreneurship is the shortage of funds. Most people believe that the proportion of lack of technology and lack of good entrepreneurial projects is also high. Corresponding to the problems they face, the policy with the highest demand for entrepreneurship of migrant

workers who are willing to return home is “relax loan conditions and provide financial support”, which reaches 80%. The second is the demand for skills training and market information, while the demand for tax relief and relaxation of land use restrictions is relatively low.

## INCREASE SUPPORT FOR HOMECOMING ENTREPRENEURSHIP

As a government department, how to support the development of migrant workers has become a historical mission, and also an important indicator of local economic development. How to achieve the growth of entrepreneurial aspirations of migrant workers returning home and expand entrepreneurship in multiple fields is a practical problem that needs to be solved urgently and needs to be solved from all aspects.

First, expand financing channels and provide financial support for migrant workers to return home and start businesses. First, rural financial service institutions should increase credit support for migrant workers returning home to start businesses, and make it clear that the deposits “taken from agriculture” should be “used for agriculture” according to a certain proportion. We should encourage financial innovation, further expand the pilot of new rural financial institutions, explore and guide private financing, and local governments should improve the operation mode of public financial funds for returning migrant workers’ entrepreneurship according to the specific conditions of different regions, and provide targeted financial and credit support to entrepreneurs in different industries and entrepreneurial activities at different stages of development. The second is to implement the discount interest system of returning migrant workers’ entrepreneurship loans. The focus is to give discount interest to the loans of returning migrant workers’ entrepreneurship. For the agricultural moderate scale operation or agricultural industrialization activities that the returning migrant workers are engaged in, appropriately reduce the discount approval conditions and give priority to the discount interest. Third, expand the rural credit card business to meet the short-term capital turnover needs of migrant workers returning home. The fourth is to establish a credit system for migrant workers in cities, transform the micro behavior of migrant workers in urban employment and life into a measurable degree of credit, provide a reliable basis for the application and issuance of entrepreneurial loans for returning migrant workers, and then lower the threshold and increase the credit line.

Secondly, carry out “tailor-made” training to improve the entrepreneurial skills and level of returning migrant workers. The homecoming entrepreneurship is dominated by labor-intensive traditional industries, and

there is a great deal of blindness, reflecting the low skill quality of the homecoming migrant workers themselves, and most of the homecoming migrant workers do not have the human capital required for entrepreneurship. This requires the government departments to carry out “tailor-made” training for returning migrant workers with entrepreneurial intentions. In terms of training content, training can be carried out according to the market demand and the resource characteristics of migrant workers returning home, focusing on training their entrepreneurial opportunity identification ability, risk resistance ability and business ability. In terms of training methods, the combination of centralized training and professional training can be adopted, and experts in economy, trade, commerce, finance and other aspects and successful entrepreneurs can be organized to provide practical guidance to migrant workers returning home in the process of entrepreneurship.

Thirdly, industrial agglomeration will drive the return of migrant workers to start businesses. In 2015, the National Development and Reform Commission and other ten departments issued the Notice on Carrying out the Pilot Work of Supporting the Return of Migrant Workers and Other Personnel to Home for Entrepreneurship in Combination with the New Urbanization, which proposed that: “Relying on the existing resources such as various development zones and idle factories, through PPP and other means, we will integrate and develop the homecoming entrepreneurship park, gather production factors, improve supporting facilities, and reduce the cost of entrepreneurship. We will implement and improve the supporting policies such as land support, tax, rent reduction, and capital subsidies that encourage entrepreneurship, appropriately relax the standards of electricity and water use, and attract more migrant workers and other personnel to enter the park to start businesses and cluster entrepreneurship”. Local governments can upgrade traditional industries based on industrial parks in combination with their own conditions to attract migrant workers to return home for entrepreneurship; or through the construction of industrial parks, formulate various preferential policies to attract migrant workers who have successfully started businesses abroad to return home for investment and entrepreneurship to drive the return of migrant workers to start businesses. Driving homecoming migrant workers’ entrepreneurship by industrial agglomeration is conducive to improving the efficiency of infrastructure utilization, and also conducive to improving the coverage of homecoming entrepreneurship policies.

Finally, to realize the interaction between the three industries and provide strong guarantee for the development of the industry is also an important guarantee for promoting the employment of migrant workers. It can be said that it is a strong institutional

guarantee. The primary industry, the secondary industry and the tertiary industry are interconnected. On the basis of the interconnection, the government should guide the coordinated development of the three industries, and give strong guidance to migrant workers who return home to start businesses, so as to achieve the benefits and avoid the disadvantages. There are trade-offs, so that the enthusiasm of migrant workers returning home to start businesses can be improved, the enthusiasm for entrepreneurship can be stimulated, and the enthusiasm for production can be improved.

Strengthen the training of returning migrant workers from the perspective of policy, and guide them in the industrial structure. Finally, effectively channel the resources of migrant workers, achieve their best, and achieve strong security. Only in this way can the enthusiasm of returning migrant workers increase, realize income increase, and finally achieve accurate poverty alleviation.

## REFERENCES

- Démurger, S., & Xu, H. (2011). Return migrants: The rise of new entrepreneurs in rural China. *World Dev.*, 39, 1847-1861.
- Fonseca, R., Lopez-Garcia, P., & Pissarides, C. A. (2001). Entrepreneurship, start-up costs and employment. *Eur. Econ. Rev.*, 45, 692-705.
- Kodithuwakku, S. S., & Rosa, P. (2002). The entrepreneurial process and economic success in a constrained environment. *J. Bus. Ventur.*, 17, 431-465.
- Murphy, R. (2000). Return migration, entrepreneurship and local state corporatism in rural China: The experience of two counties in south Jiangxi. *J. Contemp. China*, 9, 231-247.
- Zhang, L. X., Lin, L. Z., & Sun, K. L. (2016). Research on the influencing factors of migrant workers' entrepreneurial willingness. *J. South China Agric. Univ.*, 15, 65-77.
- Zhu, H.G., Weng, Z. L., & Chen, Z. J. (2011). On the effect of policy support on migrant workers' willingness to return and start businesses—A study based on the survey data of Jiangxi Province. *J. Jiangxi Agric. Univ.*, 1-5.