Study on Economic Development Model and Approach of Beijing's Mountainous Valley Areas

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Abstract
The economic development model of Mountainous Valley areas was put forward by Beijing government in order to fit in with the needs of ecosystems conserve and socio-economic development in mountain areas. It had achieved remarkable results in practice. The basic content and the problems faced by the model were both described in this paper. Based on theory of regional economic development, the paper proposed the development thought of “multi-point and one line” and "A line with multi-center" space layout and relative safeguard measures of valley areas. This research can provide reference for relevant departments to formulate economic development policies.

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1. Introduction

The comprehensive construction and development of mountainous regions is not only a essential matter of developing the economy of mountainous region, constructing the new countryside and realizing urban-rural integration, but also an important measure to optimize land improvement and innovate regional development. China is a mountainous country, with mountainous areas taking up 2/3 of the national total area. Therefore the construction of mountainous region is the key point for development of the whole region. In 2007, based on agricultural economics in mountainous areas and basin economy, Bei Jing proposed “economic model of mountainous valley area” according to geographical and environmental conditions of valley area. On the premise of ecological protection, resource advantage and development of green industry, this economic model is to build a valley industry which contains multiple contents, different forms, unique features and certain scale. It is able to promote the economic development level of the whole mountainous, increase the income of farmers and realize economic sustainable development. Through the practice of recent years, mountainous region in Bei Jing has constructed several valley area, such as hundreds of miles corridor of mountains-and-waters painting and every-bright valley with wild geese. The basic content of the model and the problems faced by Beijing were both described in this paper. Based on theory of regional economic development, this paper proposes thoughts of construction of valley area and safeguard measures, which not only provides reference for relevant departments to formulate economic development policies, but also enrich the achievements of regional economy research.

2. Economic model of mountainous valley area

The economic development model of mountainous valley areas takes mountainous valley area as a unit. On the premise of ecological protection, this economic model promotes optimization of rural industrial structure and develops the regional economy.

2.1 Economic model of mountainous valley area is a economic model which is in a special geographical space. According to theory of regional economics, economic region is an economic and social complex which is related to economic activity of people and contains certain regional elements. It is also a objective existence concerning on
economic center. Accordingly, Mountainous valley areas economy (MVAE) is an economic and social complex which is produced by the interaction of internal and external factors of economic development in the valley region. To be concrete, valley economy is such a economic type that comprehensively utilizes natural economic and social resources of the region on the basis of environmental protection as well as utilizes the basic role of market to dispose resources and finally achieves the goal of regional development and social progress. Generally, in the relative closed region, every industrial unit, such as kinds of tourist site, sightseeing garden, village, farmer and production base, is correlated by a line which is not only the artery of the valley economy, but also the bond that ties internal and external communication and relation. Initially, the river served as this important line, but as the economy develops, this type of line is extended to traffic artery, river system, towns and villages and so on. Consequently, valley area presents the kinds of pronouns such as ditch, dale, mountain, bay and so on. Additionally, it presents various forms such as “two mountains and one river, two mountains and one town, two mountains and one road, two mountains and one village, and two mountains and several villages. Therefore, mountainous valley areas economy is a general name that people produce and reproduce things by means of scarce resources in the above regions. In another word, mountainous valley areas economy is a form of economic development that is built by disposing production factors, such as capital, labors, land, information and technology, in order to protect, control and explore various resources of the area. This economic form is able to adapt to market requirement.

2.2 Valley economy is the basis of economic development of mountainous. From a geographical point of view, mountainous with full of ditches and forks is the main line of valley economy and the level of its development directly affects construction of the whole mountainous area. As the natural resource and economic unit, valley economy has a strong regionalism which is one of the most significant features of valley economy. If every valley economy achieves development, the whole mountainous area will get rich. The proposal of valley economy highlights the characteristics of spatial organization of the mountainous area, grasps the essence of the development of mountain, and is an important part of regional economic development. The valley economy is such an economic development system which has relative independence and resource specificity.

2.3 Rural economy is the essence of construction of valley economy. Large population resides in the mountainous. Valley economic development is a concrete manifestation of the rural economic development. Formation and development of economy of mountainous areas is affected by the constraints of productivity and relations of production. Because of relative closed environment, it gradually forms such an rural economic system with obvious regional characteristics that takes productive activities of rural residents as main activities, and takes planting, aquaculture, leisure industry transport, business and building industry as industrial type. In the long run, countryside is the pronoun of underdevelopment and economic depression. The slow development of countryside is a major problem in the process of modernization. Thus, it is important to develop rural economy, increase the income of farmer and realize integration of urban and rural before developing the valley economy. It is necessary to understand the content and characteristics of valley economy by studying the intersection region of mountain area and rural economy. What’s more, it needs to explore ideas and methods of construction from the start of mountainous area and rural economy. Additionally, from system theory point of view, the valley economy system should be a composite system that is formed by ecosystems and the rural economic system in the certain spatial and temporal scales. With comprehensive, regional, and dynamic characteristics, this system is affected by regularity of spatial differences, ecological laws and social and economic development law. Valley economy is not only an integration of the ecosystem and the rural social-economic system, but also the coordination of sustainability of natural resources, improvement of the economy, as well as the progress society.
2.4 The integration of industry is impetus of the development of valley economy. From the angle of industrial economy, it must adjust the industrial structure well so that it is able to achieve the sustainable development for valley economy. The valley economic system is a very complicated system that composed by a number of related industries. It is an industrial aggregation which supports sorts of products and services. Thus, the development level and sustainability of valley economy are determined by the breadth and depth of adjustment of industrial structure. Mobility of factors of production used to be hampered by regional economic beneficial structure, limitation of geographical space and the form of economic development that administrative village is as a unit. It is not so close among the industry types and it is very limited for the scope and extent of structural adjustment. However, if it takes valley as a unit, according to economic development law and characteristics of industry upgrading, it will break through the bottleneck of traditional industries and upgrade industries well. So to speak, the essential requirement of valley economic development is to break through the space limitation of traditional industries, build a multifunctional comprehensive system with a high industry convergence. The core of valley economic development is industry convergence promoting structural adjustment.

3. The problems faced by valley economic development of Bei Jing

After several years of practice, Beijing has constructed several characteristic valley areas, such as a hundred miles corridor of mountains-and-waters paintings and every-bright valley with wild geese. However, the valley economic model of Bei Jing is still at the exploratory stage of development, and it is facing a lot of problems to achieve the requirement of urban-rural integration.

3.1 Valley economic growth points are dispersing. By the reason of the limitation of terrain and resource, most valley areas commonly take the lot with good condition and location as core and make it a comparatively concentrated living area. The relative industries are built along the traffic line so that the villages present punctuate distribution which has a bad agglomeration effect.

3.2 Valley economy presents industrial duplication and serous competition of the same industry. For the valley with rapid development, it just takes a single industry or construction of tourism landscape into account, and lacks systematic plan. All the valleys develop the tourism without an exception, and support the same service. As a result, it brings down the price, cuts profit, leads to over-capacity in the long run, and greatly affects the competition industry competitiveness in valley area. What’s more, the scale of investment is small and the project is low-grade which cannot be the major brand with strong competitive forces. And the valley economy mainly lives on leisure tourism, which leads to lacking of creativity and culture.

3.3 The strength of special industry in valley area is not strong. Different valley areas in Bei Jing depend on their own geographical environment to develop special industries, such as the peach industry in Ping GU, apple industry in Chang Ping and Mi Yun, pear industry in Da Xing and Shun Yi, grape industry in Yan Qing, chestnut industry in Huai Rou and Mi Yun, persimmon industry in Fang Shan and so on. However, because of the weakness of agricultural economic base and dispersing industries, the mountainous area lacks the ability to deal with the fluctuation. It is just like a tray that can’t afford fluctuation. Therefore, it is the major problem for valley economy to deal with that how to strengthen the construction of industrial belt and how to break through tray effect.

3.4 It needs to build policy environment for valley economic development. Because of less educated people and low industrial technology level, farmers make their main profit by selling instead of enhancing the efficiency. Valley area lacks the ability to attract social capital contributing to economic construction, which is reflected in land policy, industrial policy, and tax policy and so on. For example, on account of less stock land, limited land for construction and uncertain ownership of land, valley economic development is greatly limited. Valley economic construction is systematic project, so it is necessary to do further study finding out the policies that adapt to the characteristics of valley economic development.

4. Measures of Constructions on Valley Economy in Beijing

4.1 Measures of Constructions

Valley economy in the mountainous areas will be constructed in accordance with the principle of A Line with Numerous Spots. 1. The construction of Numerous Spots. These spots are the joints that combine the tourists transferring, gathering and travelling, and valley economy, the tracks of which are full of natural landscapes, historical sites, popular customs, artificial facilities for relaxation and entertainment. The characteristics have constituted the cores and foundations of the valley economy. Thus, in order to promote the characteristics and attraction of the valley economy, the construction of numerous spots indicates both discovering the advantages of valley economy in terms of geographic and cultural resources, and cultivating major spots, such as places of interests, agriculture sightseeing parks, folk custom villages, facilities like guesthouses, vacationlands and restaurants. 2. The construction of A Line, which refers to the infrastructure construction and environmental restoration of the lakes, roads and villages, will serve as the completion of the key to the valley economy. The line will connect all the spots to exhibit the components of distinguished valley economy to the world. It is through the Line with Numerous Spots that each valley has formed the leisure industry of different themes. Therefore, the valley, as an artery of economic development, will not only inherit the historical culture, but also embrace modern needs for trees and grasses in the mountain areas.

Each district or county may center on the keys of valley economy confirmed by the city with the integration of major valley construction in different time periods and spaces, and determine the directions and route based on center-increasing topmost theory. The characteristic valleys and developing themes could be centralized and exhibited though the center-increasing topmost effects.
and the expansion of relative industries nearby.

4.2 spatial distributions

The special distribution of valley economy in Beijing will be allocated in accordance with the principle of One Area with Numerous Centers. The area refers to the mountainous region ranging vertically from the southwest to the northeast, which represents the integration of the ecological preservation and an increase of farmers’ income, the interaction of ecological construction and industrial development, as well as the progress of valley economy where the first, the second and the third industry has harmonized with each other. The features of valley economy in Beijing are as follows: (1) Representation of the lay of mountains and lands in Beijing. (2) With the road and traffic being the central line of the valley economy, the construction of mountain areas and the integration of urban-rural areas have been promoted. (3) gathering of many factors, such as economic developing basis, resources and rich histories. (4) bringing together the major valleys to be developed in the next five years, which will form into an influential group of valley economic entities.

Numerous Centers. There are a total of seven valley economic developing centers in Beijing. Each one of them could be a characteristic valley or a combination of several valleys together. These centers are primarily gathered within the area of valley economy, which are the converging and dispersing centers and growth points that mainly lead to the mountainous valley economy development as a whole. The center valleys have some prominent traits: 1. represent the features of the resources and ecological environment of the district; 2. with good locations and foundations, and a dominant and influential role in the area; 3. become the development as a whole. The center valleys have some prominent traits: 1. represent the features of the resources and ecological environment of the district; 2. with good locations and foundations, and a dominant and influential role in the area; 3. become the development as a whole. The center valleys have some prominent traits: 1. represent the features of the resources and ecological environment of the district; 2. with good locations and foundations, and a dominant and influential role in the area; 3. become the development as a whole.

5. Policy Recommendation

5.1 Conformation of policy resources. More budgets from the government could be put into operation with the medium of the development of valley economy. Besides, on the basis of reinforcing the mountainous leading industries, for example, the environmental cultivation, characteristic plantation, rural and ecological tourism, as well as farm product processing, an overall consideration of tasks of could be arranged, including the integrated management of the rural environment, the establishment of new village, the ecology construction, tourism, etc. Also, valley economy could be inclined, according to funds and policies of the following projects, for example, control of the sources of sandstorm in Beijing and Tianjin, integrated control of small watersheds, Project of “Tens- Hundreds- Thousands”, ecological relocation and restoration, infrastructure of “Village to Village”, “Five Aspects of Infrastructure” of the construction of New Countryside, Three Starting Project, etc.

5.2 Reinforcement of planning and managing. In conformance with the principle of “Plan in Advance, Breakthrough with Focus”, scientifically establish a mid-term or a long term Plan for Valley Economy Development, which will be turn over to National Development and Reform Commission (NDRC). The plan relies on the foundation of deep research of the industry developing thoughts and ecological restoration and development of the main valley economic entities. Thus, the construction of valley projects must be carried on with the planning range. The municipality is recommended to lay out a policy of a plan of “One Valley a Year in Every County”, and bid among the society to guide intellectual resources into the mountainous areas.

5.3 Standardization of the Valley. It is important to accelerate the research of developing model and to determine the dividing standard and developing range of valley economy. In the meantime, the themes and features of each valley should be made clear; names of each should be fixed, in order to set up a long-term mechanism for developing valley economy.

5.4 Increasing of budget input. Bring the development and construction fund of valley economy into line with municipal and county level of finance budget in Beijing which will constantly establish specific funds, according to the program, to assist the leading industry, ecological environment and infrastructure construction in a way of “reward replacing subsidy”. Conduct the participation of social resources like capital, techniques and information of the motivating project in the industry, together with promoting investment and attracting competent large enterprises to engage and operate by means of discount loans, rent allowance, investment reward, economic contribution and achievements. Besides, it is also suggested that a leveraging role could be played by the leading venture capital of small or medium sized enterprises and the credit re-guarantee organizations. Thus, the government could encourage and support the venture capital and guarantee organizations to offer financing services for the valley economic industries.

5.5 Increase of available lands through various ways. Take an integrated consideration of the capacity of available lands and the land-use-index in the major valleys through centralized and scientific planning in the mountainous areas. Arrange the use of lands, and encourage individuals and firms to utilize the deserted woods and mines efficiently. Study the possible proposals of transforming the countryside in order to constantly increase the reserves of land for exploitation. When the policies for land using are to be adjusted, the mountainous areas need to be considered with priority, where the land-use-index could be increased during the infrastructure development of tourism.

5.6 Better preservation of culture. Scale the cultural relic in terms of different aspects and protect them accordingly. Not only can historic relic play a motivating role in the valley economy, but also the integrated consideration of preservation and exploitation would offer resource support to the valley economy.

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