

# Evaluation of the Economic Growth Effect of the Policy of Migrant Workers Returning Home to Start Businesses

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**Abstract:** The policy of migrant workers returning home to start businesses plays an important role in promoting rural economic development and urban-rural integration. Starting from the economic perspective, this paper explores its impact on economic growth and puts forward relevant suggestions to promote the better implementation of the policy and economic growth.

**Keywords:** Migrant workers, Return home to start a business, Economic growth effect.

## 1. Introduction

### 1.1. Background of the policy of migrant workers returning to their hometowns to start businesses

The background of the policy of migrant workers returning home to start businesses mainly includes the following aspects:

The importance of migrant workers returning home to start businesses lies in promoting rural economic development and urban-rural integration.

With the acceleration of urbanization, a large number of migrant workers pour into cities for employment, leading to the shortage of rural labor force and affecting agricultural production. Therefore, guiding migrant workers to return to their hometowns to start businesses can effectively relieve the urban employment pressure, promote the diversified development of rural economy, and realize the coordinated development of urban and rural economy.

The reason for the policy of migrant workers returning to their hometowns to start businesses is to solve the employment problem of migrant workers and promote rural revitalization. With the adjustment of economic structure and industrial upgrading, some traditional industries gradually decline, leading to unemployment or employment difficulties for some migrant workers. To solve this problem, the government has introduced a series of supportive policies to encourage migrant workers to return to their hometowns to start businesses, boost local economic development and promote rural revitalization.

The policy contents of migrant workers returning to their hometowns to start businesses mainly include financial support, entrepreneurship training, land policy, etc

The government provides financial support for entrepreneurs returning to their hometowns by setting up start-up support funds, providing start-up loans, and reducing taxes and fees. At the same time, the government has also strengthened entrepreneurship training to improve the entrepreneurial skills and management capabilities of rural migrant workers. In addition, the government has also introduced land policies to provide land transfer and contract

support for entrepreneurs returning to their hometowns, so as to promote the development of rural industries and the increase of farmers' income.

### 1.2. The importance of migrant workers returning home to start businesses in promoting economic growth

The importance of migrant workers returning to their hometown to start businesses to promote economic growth is self-evident. First of all, this policy can effectively promote the development of rural economy. With the acceleration of urbanization, a large number of migrant workers pour into cities, leading to a shortage of rural labor force and affecting agricultural production. Therefore, encouraging migrant workers to return to their hometowns to start businesses can effectively solve the problem of insufficient rural labor force, promote rural industrial upgrading, and promote the development of rural economy. Secondly, the policy of migrant workers returning to their hometown to start businesses can promote rural employment. With the acceleration of urbanization process, a large number of rural labor force outflow, leading to the grim rural employment situation. Through policy guidance and support, encouraging migrant workers to return to their hometowns to start businesses can to some extent ease the rural employment pressure, create more employment opportunities, improve farmers' income level, and promote the sustainable development of rural economy. In addition, the policy of migrant workers returning to their hometown to start businesses can also promote the adjustment and optimization of rural industrial structure. Traditional agricultural labor force surplus, single industry and other problems have been troubling the development of rural economy. Through policy guidance and support, encouraging migrant workers to return to their hometowns to start businesses can drive the adjustment of rural industrial structure, promote the diversified development of rural industries, and improve the competitiveness of rural economy and the ability to resist risks.

## **2. Implementation of the Policy of Migrant Workers Returning to Their Hometown to Start Businesses**

### **2.1. Implementation of policies for migrant workers returning to their hometown to start businesses in different regions**

According to their own economic development level and the rural labor force situation, different regions have formulated different policies for migrant workers returning to their hometowns to start businesses. Some regions have provided financial support and tax incentives to attract rural migrant workers to return to their hometowns to start businesses.

### **2.2. Specific measures and supporting policies for migrant workers returning to their hometowns to start businesses**

The government can set up entrepreneurship training centers to provide free or low-cost entrepreneurship skills training courses to help migrant workers master the basic skills and knowledge needed to start their own businesses. At the same time, the government can invite successful entrepreneurs or professionals to guide migrant workers, share their entrepreneurial experience and skills, and help them better plan and implement their business plans. Such measures can effectively improve the entrepreneurial ability of migrant workers, reduce their entrepreneurial risks, and promote their successful entrepreneurship.

Specific measures and supporting policies for migrant workers returning to their hometowns to start businesses should include the establishment of start-up loans and start-up subsidies to help migrant workers solve their capital problems. Start-up loans can provide low-interest or interest-free loans to help migrant workers start their own entrepreneurial projects. At the same time, the start-up subsidy can be used as a supplement to the start-up capital to reduce the burden of migrant workers and promote the smooth progress of their entrepreneurship. These financial support policies will provide more opportunities and resources for migrant workers to help them realize their dream of returning home to start their own businesses.

In order to simplify the procedures for migrant workers returning to their hometowns to start businesses, the government can implement a series of measures, including simplifying the registration procedures for starting businesses. Specific measures include: simplify the business registration process, reduce cumbersome materials and formalities requirements; implement the "one acceptance, one run well" service, provide one-stop service, reduce the time and energy of entrepreneurs to handle business; establish an electronic registration system, realize online processing, convenient for returning entrepreneurs to submit applications anytime and anywhere. These measures will effectively reduce the administrative burden on entrepreneurs, improve the efficiency of entrepreneurship, and stimulate the enthusiasm of migrant workers to return to their hometowns to start businesses.

## **3. The Impact of Migrant Workers Returning to Their Hometowns for Entrepreneurship on Economic Growth**

The positive impact of the policy of migrant workers returning home to start businesses on the rural economy is mainly reflected in the following aspects:

### **3.1. Promote the optimization and upgrading of the rural economic structure.**

Migrant workers returning home to start their own businesses brings new industries and forms of business, promotes the diversified development of rural economy, and is conducive to the optimization and upgrading of rural economic structure. These emerging industries and forms of business have not only brought new economic growth points for the rural areas, but also provided more employment opportunities for farmers, and promoted the sustainable development of the rural economy.

### **3.2. Promote industrial upgrading and technological innovation in rural areas**

Migrant workers returning to their hometown to start businesses often bring new technologies, management experience and market concepts, which promote the upgrading of rural industries and technological innovation. In the process of starting businesses, they constantly introduced new technologies and new products, which promoted the transformation and upgrading of rural industries and improved the competitiveness and innovation ability of the rural economy.

### **3.3. Promote rural employment and increase farmers' income**

Migrant workers returning home to start businesses has brought more employment opportunities for rural areas, attracted more rural labor force to find jobs in their hometowns, and effectively alleviated the problem of excess rural labor force. At the same time, the successful migrant workers have also provided employment opportunities for local farmers, increased their income, and improved the living standards of rural residents.

### **3.4. Promote rural social development and rural revitalization**

The implementation of the policy of migrant workers returning to their hometowns to start businesses has not only driven the development of rural economy, but also promoted the progress of rural society and rural revitalization. Through entrepreneurship, it has driven the local economic development, improved the construction of rural infrastructure, improved the quality of life of rural residents, and promoted the all-round development of rural society.

To sum up, the policy of migrant workers returning home to start businesses has many impacts on the rural economy. It not only promotes the development and structural optimization of the rural economy, but also promotes the rural industrial upgrading and technological innovation, promotes rural employment and increases farmers' income, and also promotes the development of rural society and rural revitalization. These positive effects can help to promote the sustainable development of rural economy and promote the

comprehensive rural construction and modernization process.

## **4. The Challenges and Problems of Migrant Workers Returning Home to Rural Economy**

### **4.1. Insufficient employment opportunities**

The industrial structure in rural areas is relatively single, and the migrant workers returning to their hometowns are faced with the problem of insufficient employment opportunities. Due to the small size of the rural market, it is difficult for new ventures to make immediate profits, leading to economic pressure on entrepreneurs.

### **4.2. Insufficient financial support and technical support**

Many migrant workers returning to their hometown lack entrepreneurial experience and management ability, but also face the dilemma of insufficient financial and technical support. The government needs to provide more training and guidance to support migrant workers returning to their hometowns to start their own businesses, and to increase financial support for entrepreneurial projects.

### **4.3. Land transfer and resource utilization problems**

The rural land transfer system is not perfect, and the migrant workers returning to their hometowns often face the problems of land use and resource utilization. The government needs to strengthen the reform of land transfer policy to provide more land resource support for migrant workers to start their own businesses.

### **4.4. Market competition and brand building**

The competition in the rural market is fierce, and the migrant workers returning to their hometown need to face the competitive pressure from the urban enterprises. At the same time, the construction of agricultural products brand and marketing channels is also the challenge faced by migrant workers returning home to start their own businesses, and the government needs to strengthen the support for the brand construction and market promotion of agricultural products.

To sum up, although the policy of migrant workers returning to home to start businesses has a positive impact on the rural economy, it also faces many challenges and problems. The government needs to further improve the policies and measures, increase the support for migrant workers returning to their hometowns to start businesses, and promote the sustainable development of rural economy.

## **5. Suggestions for Improving the Policy of Migrant Workers Returning to Their Hometowns to Start Businesses**

In order to further improve the policy of migrant workers returning to their hometowns to start businesses and promote rural economic development, the following measures can be taken: (1) Provide more entrepreneurship support policies, including financial support, tax incentives, entrepreneurship training, etc., to help migrant workers to better integrate into the local economic development. (2) Strengthen rural

infrastructure construction, improve rural production and living conditions, and provide a better environment and support for rural migrant workers to start their own businesses. (3) Strengthen the guidance and support for rural entrepreneurship projects, encourage migrant workers to choose industries in line with the local resource endowment and market demand, and improve the success rate of entrepreneurship. (4) Strengthen rural financial services, broaden the financing channels for migrant workers to start their own businesses, reduce entrepreneurial risks, and promote the diversified development of rural economy. (5) Strengthen the cooperation between the government, enterprises, social organizations and other parties, jointly promote the implementation of the policy of migrant workers returning to their hometowns to start businesses, and form a benign interaction mechanism featuring government leadership, market operation and social participation.

Through the implementation of the above measures, we can further improve the policy of migrant workers returning to their hometowns to start businesses, promote the development of rural economy, and realize the sustainable growth of rural economy and the success of migrant workers starting businesses.

## **6. Conclusion**

The policy of migrant workers returning to their hometowns to start businesses can promote rural economic development, increase farmers' income, improve rural employment situation, and play a growing role in promoting economic growth. In the future, we should further improve the policy of migrant workers returning to their hometowns to start businesses, increase the support for entrepreneurs, optimize the policies and measures, and promote the policy of migrant workers returning to their hometowns to start businesses to achieve better economic growth results.

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