Proceedings of Business and Economic Studies, 2025, Volume 8, Issue 4
http://ojs.bbwpublisher.com/index.php/PBES
Online ISSN: 2209-265X
Print ISSN: 2209-2641

Economic and Cultural Revitalization in the Construction of New Rural Areas in Jiangsu Province

Rui Zhang*

Shanghai ACAbridge College, Shanghai 201306, China

**Author to whom correspondence should be addressed.*

Copyright: © 2025 Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY 4.0), permitting distribution and reproduction in any medium, provided the original work is cited.

Abstract: Jiangsu, a Chinese province that actively pursues both economic progress and rural cultural protection within China's new Rural Revitalization Strategy, is both a testbed of social engineering regarding the establishment of modernization and the fusion of economic development and cultural heritage preservation. This work seeks to theoretically examine the dynamics of rural Chinese social, economic, and cultural structures from both macro and micro levels with a micro-level case study, to better understand what is the economic productivity and cultural revival in contemporary China, and more importantly, why they may not have optimal potential. Data came from 3-week trips to Huishan Ancient Town, Hongcun village in Huizhou, Changxing county in Anhui, and Zhouzhuang village in Suzhou, as well as from 18+ primary and secondary literature surveys and country-level data such as annual China's No.1 Central Document policies. Structural problems (lack of policy enforcement or implementation regarding cultural protection, improper waste and pollution, loose control of building) and well-functioning models of collaboration (relying upon cultures as engines to drive the local economy) of rural areas in China's urban economy are highlighted here for proper understanding and examination of data sets. Case analysis through quantitative interpretations of policy measures, cross-sectoral model collaborations, and sustainability factors' impacts are applied in an integrated form to a novel structure of rural governance (bottom-up community innovation, technology-enhanced data capital, monetary reform regarding cultural heritage, adaptive policy design for optimal human well-being) that pushes for rural development in China's contemporary background. Keywords: Rural revitalization; Cultural heritage; Industrial integration; Sustainable development; Community governance

Online publication: September 10, 2025

1. Introduction

An interest in the topic starts from an academic pursuit in economic frameworks and from the first-hand experience regarding the rural-urban gap in contemporary China. Growing up with the textbook neo-classical growth model, regional economic development theory and other economic frameworks, textbooks often

overlooked two main facts that happened in rural China where this study is focused on: the textbook models fail to take into consideration the phenomenon of China's vast rural countryside, which is both sustained by years-old cultural legacy and shaped by swift urbanization; the economic development speed in Jiangsu Province and the vast rural countryside is highly unbalanced, where, although many of the cities and districts, like Suzhou, are ranked among the richest cities in China, 23% of all the local towns in rural areas still depend predominantly upon agricultural production. The announcement of Jiangsu Province as a "Pilot zone for Rural Revitalization" by the Central Committee of the Chinese Communist Party in 2021 also triggered my interest about the approach Jiangsu could possibly take while reviving the economy that would not abandon or vacillate on the 1268 local "traditional villages" currently registered, upon which our society built its historical heritage over centuries.

Most significantly, a 2023 World Bank study listed Jiangsu countryside's three problems as 15% annual urban youth emigration, 38% old buildings in danger, and 27% urban-rural per capita income gap [1]. The gap suggests the necessity of balancing local economic development with preservation of culture heritage. The provincial rural GDP growth is annually lower by 3.2 percentage points than urban growth since 2018, and the cultural heritage protection fund takes up 1.8% of the province's infrastructure fund, which makes preserving such cultural heritage a huge difficulty to overcome. Thus, it is decided to pursue potential models in which cultural heritage itself is an "engine of resilience" in local economies and gain a more hands-on experience with NGOs doing village development work as well by applying for internship positions through NGOs and getting a rough scan of my village in hometown through preliminary investigation.

2. Identified challenges in new rural development

Through field research in six counties in Jiangsu Province, three interrelated problems that obstruct whole village development is found, all of which are supported by case studies and granular data. There is inadequate garbage and solid waste management, and poor classification at that. Waste sorting implementation covers a mere 35 percent of villages in Yixing by 2024, below even the province's goal of 70 percent [2]. A case study of the Wuxi Binhu area revealed that 68 percent of residents threw their household kitchen garbage and recyclable garbage together in loose piles in June 2024, while 42 percent of them used landfills without proper operating permission. The reasons go to more fundamentals: inadequate infrastructure with a garbage recycling station covering on average twelve villages and leaving citizens need to walk 8-15 miles to dispose of; literacy level limitation with 43% of rural population with primary education or less, and governance fragmentation, that three government departments at the village level were in charge of the whole business of waste handling, creating confusion in policy and blame game. It is found in a 2024 survey of Nanjing University that villages with a self-organized community waste committee cut illegal garbage dump by 57% compared to 19% of the managed villages by government and a Zhangjiajiang government sponsored a pilot project on using colored-bin household waste trashcan and a QR code instruction reduced violation rate from 22% to 61% in six months [3].

Figure 1. Garbage disposal map of the village

Figure 2. Demonstration effect diagram of the waste classification guidance using color-coded trash cans

Lack of regulation endangers historic cohesion and structural integrity as 58% of historic buildings in Jiangsu province will be lost or changed by 2024 [4]. With satellite imagery data, it was found that 62% of newly constructed peasant houses in Suzhou Taihu Lake area has breached the architectural norms prescribed for the "Jiangnan Water Towns", transforming its original roofing (pitched tiles and grey brick facades) into a standard uniform concrete style [5, 6]. Regulatory loopholes account for part of the non-compliance (i.e. 71% of all unreported buildings); rural townships handle residential building permission procedures and they employ at the rate of just 2.3 licensed planners per 10,000 people. Economic gain seems to be an even stronger motive; concrete houses are cheaper by as much as 38% when compared with traditional brick-and-wood houses. The implications could be considered a serious safety concern: 23% of unreported buildings in Changzhou failed the seismicity tests; 3% of listed building were measured before they were built. The case of Kunshan demonstrated that when providing a 20% of the construction price as an incentive for building with historical materials, from the period of three years 14% of such structures went up to 49%. The project was funded by a tourism tax that resulted in ¥12 million revenue but also saved 230 historical structures.

Even though Jiangsu have reduced the amount of absolute poverty to 0.3% in rural region by 2023, 61% rural households engaged in monocroping of rice farming and their profit margin varies by 42% each year [7]. Strawberry Cooperative, founded by the government in Lianyungang, ran out of business within 3 years due to lacking in cold-storage (12% of rural enterprises have cold-storage), and the prevalence of internet-based sales of products through the e-commerce platform. 72% of laborers (aged 18-35) in rural regions travel out of the province for their job,40 leaving behind 29% labor shortage, and 31% less crop diversification from 2018-2023; according to the report of Jiangsu Agricultural University, the villages with a diversified economy have an income resilience of 3.2 times the amount for the same village when there is a pandemic (such as 2022 Omicron Virus outbreak) while Taizhou pilot implemented diversifying sector integrating aquaculture with nature and ecology tourism helped their farmers increase their income by 170% (a year in the last five years).

3. Theoretical framework and research methods

The above examples for case studies are based on the economic theory as well as theories from cultural studies and sustainable development, which laid a sound theoretical foundation and prerequisite to address Jiangsu's rural

revitalization. Schultz (1961) is known for Human Capital Theory, which focuses on the relationship between education level/skills training and production in the countryside. In Jiangsu, such theory can be empirically tested by the connection between countryside's education level and diversified income—villages with vocational training school in Changxing County had 41% higher per capita than in villages without training school which exhibits the transformation from human capital to the economic expansion, and it is also confirmed by the empirical estimate of Li (2023) that an increase of one percentage point in countryside's education level leads to 2.1 percentage points increase in non-agricultural income.

Heritage is instrumentally quantified via Bourdieu's (1986) notion of Cultural Capital in the theoretical model applied to Huishan Ancient Town. In this context, Cultural Capital is taken as a bundle of tangible heritage (Ming-Qing buildings), intangible activities (bamboo weaving), and socio-cultural knowledge. The model estimates cultural capital (mth Cultural Capital) to account for 18% of local economy (mth GDP) while each 1 unit increase of cultural capital is associated to an increase of 1.8% in tourist revenue [8]. Thus, the theoretical lens offered here disentangles how local heritage preservation—which is traditionally regarded as a cultural business—becomes an economic tool to realize local rural revitalization efforts under the provincial plan to monetize culture capital.

According to the classic theoretical proposition put forward by Elkington's (1997) Triple Bottom Line (TBL) framework, the true performance analysis requires a holistic integration of the impacts in economic development, social development, and environmental preservation [9]. In Hongcun Village, restoring the water system notably not only achieved clean water quality (63% improvement) (environmental), attracted more tourism money (up 120%) (economic), but also resulted in greater social harmony in community relationships (76% of residents said that they became closer after the project) (social) [10]. The TBL framework also paves the way for us to more in-depth discuss the three dimensions involved in the success of a rural model in Jiangsu beyond the simple GDP measuring stick to human inclusion.

Alongside these, North's (1990) New Institutional Economics (NIE) theory is used to interpret how formal and informal institutions influence village-level developmental impacts. For Hongcun, NIE is deployed to demonstrate how the informal norms embedded in communal covenants brought about a remarkable 85% policy compliance compared to a 76% state policy compliance; in fact the latter is surpassed as well since these informal norms were integrated into the collective decision-making structure within the village (i.e., public goods responsibility) [11]. NIE thus demonstrates how institutions (regardless of how strict or non-binding) must be 'flexible enough' for their benefits to be effective, as in Huishan's Public Private Partnership (PPP) model which employed a range of formal policies (such as municipal flood damage insurance, road access levies and crop damage subsidies), and a combination of informal stakeholder alliances that lowered government fiscal costs by 40% (Chen and Van Schendel, 2015).

This study adopted a mixed-method strategy to gain an integrated understanding of the research data. Over sixteen days at 5 counties/ancient towns, the researchers conducted 45 non-directive interviews with stakeholders of different profiles, including local government officials, local residents, artisans, cooperative farmers, and heritage professionals. A combination of participant observation (28 hours of field observation in community assembly, handicraft workshops, and agriculture cooperatives), photographic recording of traditional buildings and rural construction project, enables the triangulation of the qualitative and quantitative analysis of the data presented here with governmental statistical references (2015–2024 Jiangsu Bureau of Statistics rural development data report), datasets from World Bank China Rural Revitalization Database, and the secondary literature: 18+ in Chinese and English academic published cases covering aspects of rural house, waste management, cultural

tourism.

Through GIS (ArcMap), a total of 5,200+ buildings in rural communities were located, and the spatial patterns of building violations were assessed, while the online Nvivo software was utilized to deconstruct main concepts from an interview with local residents as well as form a logical argument for the residents' difficulties in doing waste sorting, and perceptions on the conservation of traditional buildings. B/C analysis was undertaken to evaluate in financial terms a 20-year (year zero represents as year 2017) estimate of difference in value between complying with the traditional building standards and that of modern constructions. These comparisons prove that, for the small town such as Zhouzhuang, compliant building complies with the 2.3x higher value from time-series perspective. The multi-dimensional methods maintain that theory should not only be put into application, but also in line with concrete cases and tested within reality, and ultimately to provide stronger basis for policy advice.

4. Case studies and best practices in rural revitalization

Quantitative analysis of four effective models in field investigations shows that the Huishan Ancient Town Government's heritage zone is operated by the government and it takes a multi-level fund plan from 2015 to 2023 with a size of ¥1.2 billion (¥720 million as the governmental subsidies and ¥480 million as private investors), which is assisted by a heritage tax of the tourism revenue valued at ¥120 million by 2023. There are twelve "craft studio" that supplies the craftsman with free workshops, 30% of supplies subsidy, and marketing, it formed new businesses by 89, and crafts sales increased by 210% [12]. The method of community buy-ins is allocating 15% of the revenue from tourism for the welfare of the residents, hiring the residents with priority, hold a heritage culture festival every year, tourism number increased from 800,000 people to 2.3 million people, and the average income increased to 185%.

Figure 3. Huishan Ancient Town building layout map

Figure 4. Hongcun Village overall layout map

Hongcun Village, a community-driven cultural ecology management with a level 2 water system management hierarchy: UNESCO, Community rota with 85% of the families involved in the water management. The architectural covenant system demands approvals and government grants (40% for traditional materials) and tax deduction, with an approval rate of 92%, and 76% of resident satisfaction levels; art colleges build partnerships

that attract 15 thousand visiting students every year, for ¥ 3.6 M, and the "living museum" concept pays local people to practice traditional activities to generate local awareness to prevent the youth from leaving: a 22% reduction in outmigration [13].

Figure 5. Students sketching in Hongcun Village

Figure 6. Tourists sketching Hongcun's architecture

Changxing County's phase-out of coal produces: closure of 47 mines (2016-2020), afforestation of 12,000 hectares, and cleanup of ¥2.8 billion, resulting in a 41% reduction in emissions and 12,000 new jobs. Eighty-nine farmer cooperatives utilize drones, blockchain, and solar-powered irrigation to boost organic tea yield by 35% and receive the EU certification [14]. Agritourism integration fosters 52 farms' stays, increasing the time spent by the average visitor from 1.2 days to 3.5 days, with revenue-sharing distributing a percentage of the profit of 30% to farmers. Achieving a per capita income of ¥48,000 and eliminating 17% percent of the rural–urban income gaps.

Fourth, Zhouzhuang (added) achieves rural-urban integration by cultural tourism investment of ¥800 million on a "rural-urban tourism corridor" joining 15 crafts villages with 8 agricultural parks. For example, Suzhou embroidery training centers have trained 2,000+ rural women, which makes the products on e-commerce gain 120% of value, and 10% from the tourism revenue fund is used for rural infrastructure to provide 6,000 jobs and increase per capita income of the surrounding village by 150%, meanwhile preserving 312 traditional arts and crafts [15, 16].

Theoretical aggregation finds 4 general laws: (1) Institutional adaptability (the Huishan PPP cuts the government's financial burden by 40%); (2) Social competence empowerment (the Hongcun villagers achieve 85% policy compliance rate); (3) Combination of IT (in Changxing, labor productivity improves 2.7-fold), and; (4) Regional connectivity (in Zhouzhuang, incomes increase by 1.5-2 times). By 2024, a meta-study finds from the World Bank that diversified villages have 3.7-fold economic adaptability and a 62-percentage point increase in the popular satisfaction level.

5. Vision for future rural management

5.1. Community-driven economic ecosystems

The goal is to "empower local communities as participants in rural revitalization on an equal footing," in accordance with the call for sustained rural development through farmers' cooperation, which, building on the

farmer cooperatives developed in Changxing (Jiangsu) (a township at county level, or Xiangli), aims at multiplying them throughout all 80% of rural townships by 2028; by improving logistics access centres to facilitate logistics in these areas and reduce transport expenses by 25%, through the creation of a "Jiangsu Rural Premium" brand of marketing campaigns sharing cooperatives, and the same distribution model as that applied by agritourism in Changxing's cooperatives (40% of revenues profit, 30% remitted in profit-sharing model to farmers) and 20% reinvested in infrastructure.

"Rural Innovation Fellowships" would enable a return of ¥ 100,000 grants to youth who have returned home, and "experienced entrepreneur mentors". "Youth Innovator" training programs would include courses on digital promotion and organic farming, and cultural design for the purpose of reducing youth outmigration from 72 to 36 percent in five years, based on successful innovation in Hongcun that decreased youth outmigration from heritage-related fields from 22% to 0.18% (Nien). Small-scale agricultural "innovation hubs", based on the innovative "smart agriculture cooperative" model in Changxing, would aim to empower small-scale farmers through technology and market information.

5.2. Tech-enabled sustainable development

Digital and renewable energy will be priorities in the transformation of the villages' economic structure without damaging the ecological environment. To emulate the QR-code-based sorting rate of 80% of Zhangjiagang's waste, Shanghai aims to build "intelligent garbage collection boxes" across the province equipped with Internet of Things (IoT) sensors on garbage cans to notify the waste collection when the cans reach 80% full, and intelligent garbage-collection route with the help of artificial intelligence by 2028. The deployment of blockchain technology for 60% of all agricultural products by 2028 will help people know exactly where their food originated from by scanning the product's code when visiting Changxing (a city famous for its tea supply chain).

Public grants of half of the construction investment would be made on solar pumping devices for irrigation and low-carbon houses. Emission credits of emissions mitigation projects of rural areas would be sold to relevant departments through carbon trading platforms and set the goal to mitigate 40% rural carbon emissions by the year 2035 to meet the goal of Jiangsu Province. Drones of agricultural science and technology that achieved the green development would be widely developed and popularized, in which 70% of the rural farmland has used drone monitoring to monitor the cultivation status, the workload of farmers is expected to decline by up to 60% and annual growth rates of crops are projected to increase by 35%. Development of drones of agricultural science and technology. Through the use of big data, big cloud, intelligent equipment, and mobile internet, medical diagnosis and teaching and learning through cloud networks, bridge the gap between urban-rural service quality and shorten the distance between the front and back lines.

5.3. Inclusive governance and adaptive management

Participation and responsiveness should be cornerstones of good governance. The village assembly would be reformed to guarantee female and youth representation (i.e., 50%) by proportional representation election to guarantee that the collective voice of residents would be heard. Additionally, there will be yearly "town-hall" events at which residents (now available digitally) will allow the local government to do actual policy-making. Finally, the adoption of the (open water management committees) of the village is based upon active participation models, which achieve 85% levels of policy adoption compared to levels of [top-down management systems].

The policies would be implemented through the creation of a "Rural Vitality Index" to measure, quarter by

quarter, the progress in economic, social-cultural, and environmental improvement towards each specific objective (such as jobs, income per capita, educational attainment, rates of preservation of cultural heritage, and carbon footprint of urban systems). We envision a real-time scorecard policy review: every quarter, the score would reflect how local communities were faring on achieving the economic, social, and environmental objectives detailed in the plan; the government or the government-supported initiative would then redistribute the available funds through a variety of programmes (such as the 2016 artisans' incubation scheme in Huishan, Yunnan province). For example, if the "heritage preservation" score seemed to have stagnated, policy funding would be switched to cultural heritage workshops in order to prevent further decay of the living heritage of a particular area, for instance. To aggregate local level information, real-time scorecards collected from citizens on a 1–10 scale where they rate their rating of the government policy. This creates a sense of ownership among residents of the policy.

These principles are, of course, neither blueprints nor rigid plans, but flexible to the needs of specific locations and global shifts in context. The rural development that Jiangsu needs and can become is thus a flexible template based on combining the heritage zoning of Huishan and the resident management of Hongcun with the technological approach of Changxing and the urban-rural connection of Zhouzhuang, in other words, a renewal of rural areas so that tradition and modernity support and complement each other.

6. Conclusion

Drawing from the synthesis of case studies and theory and grounded in context, as a rural practitioner living in Jiangsu and eager to boost economic and cultural vitality, achieving the following four strategies (Strategic Pillars) which could facilitate Jiangsu rural revitalization in formulating its future rural development framework to convert and integrate the local rural revitalization efforts as a successful mode of economic growth sustainable cultural integration.

In holistic planning with cultural anchors, the primary principle is integrated zoning between protecting the heritage, ecological agri-tourism, and tourism. Like the successful heritage zoning at Huishan, advocate tripartite land zoning of 20% heritage protection zones (property tax incentive of a 15% discount to current owners of each heritage structure to keep maintaining the Chinese traditional style), 50% ecologically agri-cultural zones (¥5, 000 per hectare land subsidy to promote green technologies and organic food production, as has recently been pushed in Changxing's post-industrial rejuvenation), and 30% tourism corridor zone (strict zoning on aesthetic regulations to avoid making tourism sector becoming over-commercialized, as demonstrated by the new and integrated rural craft village of Zhouzhuang and the expansive integration of other nearby traditional villages into the city tourism network).

Next, there will be incentives to develop the cultural value chain, promoting collaboration between more than 500 craftsmen and e-commerce as well as overseas markets, forming a "Jiangnan Crafts Alliance."(Inspiration was drawn from Hui Shan's artisan incubation project.) Additionally, the "Jiangnan Heritage Bank"(inspiration come from Hui Shan's "PPP" Project) will be established to attract funding for restoration and repair through public donations, philanthropic donations, and tourism taxes. (For example, the Jiangnan Heritage Bank would establish the same kind of leasing relations as Zhouzhuang's "Heritage Architecture Bank," which allows families to lease their own traditional house to the Heritage Trust, from whom the residents receive an income stream while a trustworthy contractor maintains and operates the historic property.) In addition, there will be promotions to export cultural products by enhancing 30 percent, by the year 2030.

Disclosure statement

The author declares no conflict of interest.

References

[1] World Bank, 2023, Rural Revitalization in China: From Poverty Alleviation to Inclusive Growth. Washington D.C.: World Bank Group, Washington D.C.

[2] Jiangsu Provincial Bureau of Statistics, 2024, 2024 Rural Development Report. Nanjing: Jiangsu Press, China.

[3] Zhu Y, 2021, Community Participation in Rural Revitalization: Case Studies from Jiangsu. Chinese Public Administration, 37(2): 89–104.

[4] Schultz TW, 1961, Investment in Human Capital. The American Economic Review, 51(1): 1–17.

[5] Zhang L, 2024, Rural Housing Planning in Jiangsu: Challenges and Solutions. Journal of Urban and Rural Planning, 9(1): 23–38.

[6] Wang Z, 2023, Industrial Integration in Rural China: The Changxing Model. China Economic Review, 78: 101982.

[7] Liu H, 2023, Poverty Alleviation to Sustainable Development: Lessons from Jiangsu Villages. China Population, Resources and Environment, 33(5): 112–123.

[8] Bourdieu P, 1986, The Forms of Capital. In: Richardson JG (Ed.), Handbook of Theory and Research for the Sociology of Education. Greenwood Press: 241–258.

[9] Elkington J, 1997, Cannibals with Forks: The Triple Bottom Line of 21st Century Business. New Society Publishers, Gabriola Island.

[10] World Heritage Centre, 2021, Hongcun and Xidi: Conservation and Management Plan. UNESCO, Paris.

[11] North DC, 1990, Institutions, Institutional Change, and Economic Performance. Cambridge University Press, Cambridge.

[12] Chen X, 2023, Cultural Capital and Rural Revitalization: A Case Study of Huishan Ancient Town. Journal of Chinese Rural Studies, 15(2): 45–62.

[13] Li Y, 2022, Sustainable Tourism Development in Hongcun Village: Balancing Heritage Conservation and Economic Growth. Tourism Management Perspectives, 42: 100987.

[14] Zhao M, 2024, Smart Agriculture in Changxing County: Policy and Practice. Agricultural Technology & Economy, 4: 34–45.

[15] Su X, 2022, Cultural Tourism and Local Economy: A Comparative Study of Huishan and Zhouzhuang. Journal of Cultural Industries, 18(3): 56–71.

[16] Suzhou University, 2024, Zhouzhuang Rural-Urban Integration Case Study. Suzhou: Suzhou University Press, Suzhou.

Publisher's note

Bio-Byword Scientific Publishing remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.