

# ***The Influence of National Rural Construction Policies on the Development Path of Landscaping Companies***

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**Abstract:** Since the 18th National Congress of the Communist Party of China (CPC), the state has made great efforts to promote ecological civilization. China has entered a new stage of green and high-quality development and has successively issued a number of policies to govern the ecological environment. This study focuses on the development path of landscaping companies in terms of market entry and labor use based on the carding and interview of landscape companies' cases. According to the research conclusions of this study, first, it is conducive to further study the relevant factors on the basis of the market, labor force and other factors that have been studied in the past on the development of the garden industry by national policies at the academic research level; Second it is beneficial to further explore the guiding role of national policies to help the enterprises in the landscaping industry to implement national policies and guidelines and achieve better development. This study found that the ecological environment policies issued by the state will have a significant impact on enterprises in the landscaping industry, including some negative effects.

**Keywords:** Landscape industry, ecological environment policy, corporate development, market entry

## **1. Introduction**

With the great efforts to build ecological civilization after the 18th National Congress of the Communist Party of China and entering a new stage of green and high-quality development, numerous environmental policies have been introduced. In the process of the country's increasing the layout of the ecological environment field, the landscaping company, as one of the main bodies, plays a crucial role in it. This paper focuses on exploring the relationship between the landscape industry and the national environmental construction policy by studying the development experience of Landscaping Company under the background of continuous promotion of national environmental policies in the past two decades. The possible contributions of this study lie in the: First, on the academic research level, based on the previous research on the market, labor and other factors of national policies on the development of the garden industry, further study the relevant factors; Second, on the policy practice level, according to the relevant results of this study, it may provide policy

support for the development of garden enterprises in the new era of ecological environment construction.

The existing research on landscape industry mainly focuses on the agricultural economy and the impact of its related fields, while the impact of national environmental policies on landscaping companies does not seem to receive much attention. Based on the review of relevant national ecological environment policy documents and green planting industry related research documents, the author will start from these studies, sort out the facts of this study into the relationship between the two research units and investigate it from the sociological perspective: that is the impact of national ecological environment policies on the landscape industry since the reform and opening up.

## **2. Evolution of National Ecological Environment Policy**

As one of the major ecological restoration projects with the largest capital investment, the largest implementation and the highest level of public participation in China and even the world, the "Grain for Green Project" was piloted and gradually promoted in Shaanxi, Gansu and Sichuan in 1999 [1]. In 2001, the project of returning farmland to forests was launched on the basis of pilot projects and made significant progress. With the implementation of the policy of "returning farmland to forests", a large number of garden companies have been set up, which can receive government subsidies while planting seedlings.

On August 15, 2005, Xi Jinping, then the Secretary of Zhejiang Provincial Party Committee, put forward the vital conclusion that "green water and green mountains are golden mountains and silver mountains" for the first time during his inspection in Yu Village, Anji County, Zhejiang Province. As for the connotation and practice path of the "two mountains" thesis, some explorations have been made in academia and practice [2]. Ecological environment is an important guarantee for sustainable economic and social growth. Whether the mechanism of interaction between green water and green mountains and Jinshan and Yinshan can be more scientifically and quantitatively confirmed has been explored by the academic community. Cheng Cuiyun et al., Sun Chongyang et al. and Gao Han calculated the green gold index or the "two mountains" index by building the green gold or "two mountains" index system [3-5].

The 19th National Congress of the Communist Party of China clearly pointed out that the main contradiction of Chinese society has been transformed into the contradiction between the people's growing needs for a better life and unbalanced and inadequate development. The Guiding Opinions of the General Office of the State Council on Scientific Greening (GBF [2021] No. 19) also clearly proposes to scientifically promote the high-quality development of land greening, provide a good ecological guarantee for building a beautiful China, lay a solid foundation for achieving carbon peak and carbon neutral, and constantly meet the growing needs of the people for a beautiful ecological environment. Therefore, urban landscaping needs to establish a sustainable development model of ecology, environmental protection, low-carbon and conservation, adhere to the principle of paying equal attention to protection and restoration, construction and management, and both quantity and quality, and function, meet the multi-dimensional needs of the people, help shape urban characteristics, improve safety, resilience and quality, and promote green and high-quality urban development [6].

## **3. Research on the Development of Garden Industry from the Conventional Perspective**

In recent years, the research on garden industry and specific garden enterprises mainly comes from the economic field, most of which are case studies aimed at a specific garden company. Pan Qingli studied and elaborated the external and internal environment of JG Garden Company, and analyzed and elaborated the advantages, disadvantages, threats and challenges of JG Garden Company. On this

basis, combined with the specific characteristics of JG Garden Company, the corresponding strategic combination is given, so as to give the corresponding strategic choices and objectives as well as the specific implementation guarantee scheme [7]. Zhou Bin clarified the advantages, disadvantages, opportunities and threats of A Landscape Company [8]. Long Mingwei analyzed the macro development environment and industry competition environment of DL Garden Company, and analyzed the operation capabilities of the enterprise from within the company; Secondly, the company's internal strengths and weaknesses, external opportunities and threats were analyzed in detail, and the company's vision, mission, development goals, functional strategy, competitive strategy and growth strategy were put forward [9]. Deng Weijiang analyzed the external environment, internal conditions, external opportunities and threats, internal strengths and weaknesses, national policy trends and market competition. Through the evaluation of the internal resource conditions of N Garden Company, the main advantages and disadvantages of N Garden Company were obtained, and then qualitative comprehensive analysis and research were carried out. Combined with N Garden Company's own situation, it was proposed that N Garden Company should choose the focus strategy of differentiation combined with cost leadership. Then, starting with the theory of strategic implementation, four business level strategies were formulated [10].

#### **4. Case Description**

This part mainly uses the sociological perspective to reveal the profound impact of the evolution of national ecological environment policy on the market situation of landscaping company A through the case study of landscaping company A, including the carding analysis of the development process of company A and the interview with the company's founder.

Company A is a conventional landscaping company in the suburbs of Henan Province. It was founded in 2003 with a registered capital of 2 million yuan. The development of Company A can be divided into the following important stages.

##### **4.1. 2003-2007: The Company was Established to Solve Initial Problems**

In 2002, the State Council formally proposed the policy of returning farmland to forests, and launched the project of returning farmland to forests in an all-round way. Many areas began to stop farming and afforestation in an orderly manner. With the support of relatives, the founder of Company A negotiated land rights with local farmers in Henan suburb in 2003, and finally bought out the land use right at the price of 30000 yuan per mu, and planted saplings on the original land. The seedlings are mainly planted for the public, such as *Ligustrum lucidum*, *Fatong*, *Sophora japonica*, etc. Company A provides employment opportunities for local farmers while purchasing rural land At the price of 20 yuan per person per day, Company A employs a total of 16 workers to carry out seedling maintenance projects such as planting, weeding, and spraying. At that time, the greening industry was not fully formed. Company A mainly undertook greening projects, and most of the seedlings planted were to meet the needs of the project. At the same time of completing the greening project, we will sell our own seedlings.

##### **4.2. 2007-2008: The Industry Took Shape and Company A Began to Grow**

In 2008, China hosted the first Olympic Games in China - the 29th Summer Olympic Games. In order to reflect the style of a big country, the country calls on a large number of landscape industry practitioners to carry out greening transformation and simplify the entry process of seedlings. Moreover, many local governments have also purchased a large number of seedlings for planting. Under this policy, Company A has contracted some greening projects, such as Tianjin Airport's boutique greening project. In this project, Company A hired more than 50 local workers at the price

of 40-60 yuan per person, which took six months to complete. During this period, workers need to water, weed and trim trees every morning and evening. At this time, the market is relatively shaped, with most of the public seedlings, and the price of seedlings is relatively stable. Company A has planted more than 50 kinds of popular trees in the project, mainly including Fatong, *Ligustrum lucidum* (sapling) and *Euonymus japonicus*. In addition, Company A also contracted projects such as Binhe Avenue greening project and Jingjin Road overpass park greening project, which brought great benefits to the company's development.

#### 4.3. 2009-2014: The Company Developed Rapidly, and the Market Became Hot

Attracted by the title of "Civilized City", many local governments have rectified their cities. Among them, the relatively complete infrastructure and excellent ecological environment are one of the important conditions for becoming a civilized city. As a result, many regions began to invite tenders for greening projects. Zhengzhou is also building gardens in many places to beautify the environment. Company A also contracted some park greening construction under this trend. For example, the greening project of Dongguo Lake in Zhengzhou. In this project, Company A provided employment opportunities for more than 500 temporary workers and more than 50 long-term workers. The company provides each worker with a daily wage of 100 to 150 yuan, and provides food and accommodation. There are nearly 100 kinds of plants planted in the project, most of which are popular seedlings: French tung, ginkgo, osmanthus, and a few of which are fine modeling trees: butted white wax, Chinese wolfberry, and privet. At that time, the market was fully mature, and the price of seedlings in China doubled compared with the past, becoming the golden age of the greening industry. Company A has also reached its sales peak in recent years.

#### 4.4. 2015-2022: The Company Began to Transform and the Market Situation Declined

Table 1: Major events of company operation.

Time	Government policy	Primary coverage
2003	the bid of some engineering construction	order the rules of investment invitation and bidding.
2005	the leader Xi Jinping mention the conception of "Lucid waters and lush mountains are invaluable assets."	in this conception, the government plan to increase the scale of the planting of trees.
2008	the build of Beijing Olympic Games	in order to improve the environment of Olympic Games. The government have plant almost 30million different kinds of plants, like Starry flowers.
2014	National Civilized City	to get the title of National Civilized City, many native governments try to plant as much as possible.
2022	Returning Forest to Farming	decrease the scale of plants and turn them into some crops.

In 2017, Xi Jinping pointed out in the report of the 19th National Congress of the Communist Party of China that we should adhere to the concept of harmonious coexistence between man and nature, and practice the concept that "green water and green mountains are golden mountains and silver mountains." However, this policy does not have much positive impact on the landscape industry, and only focuses on environmental protection. Company A misunderstood the policy to store a large

number of seedlings, resulting in that the seedlings could not be sold normally. At the same time, a large number of other garden companies also misunderstood the policy, resulting in a rapid decline in tree prices and a cooling of the market. After that, Company A was responsible for the maintenance cost of seedlings every day, and the company's economy suffered a great loss. In 2022, the state began to implement the policy of "returning forests to farmland" (see Table 1). The garden industry was once again hit hard. Many governments began to cancel greening projects, and the price of trees fell again. Company A failed to contract the greening project. In order to preserve the value of trees, Company A no longer caters to the greening project, instead of planting popular trees, it is planting high-quality modeling trees. High quality modeling trees are expensive in price and few in quantity, which can reduce the cost of tree maintenance and help Company A stop deficit in time.

## 5. Case Analysis

Now, based on the real data obtained from the survey and interview, we will specifically analyze the impact of changes in national environmental policies and major social events at different stages on the market entry of Company A in the process of strategic entrepreneurship.

On January 10, 2002, the Western Development Office of the State Council held a teleconference on the work of returning farmland to forests to determine the fully launched project, which is an significant policy guiding factor for the establishment of Company A. The influence of the holding of the 2008 Olympic Games and the selection of national civilized cities and other related policies has also had a huge impact on the market size and orientation of Company A.

In terms of operation, Company A has experienced the early stage when the greening industry, which is mainly engaged in undertaking greening projects and a small number of retail businesses, has not yet taken shape, and has developed into the mature stage of contracting park greening construction projects. The planting varieties have also developed from the early mass seedlings to the coexistence of most mass seedlings and a few high-quality modeling trees. In 2017, the garden greening industry as a whole misjudged the "two mountains policy" proposed in the report of the 19th National Congress of the Communist Party of China, resulting in a large number of seedlings hoarding, which led to a sharp decline in the price of seedlings, led to a cooling of the market, and increased the operating burden of Company A. In 2022, the policy of "returning forest to farmland" implemented by the state objectively brought great impulse to landscape industry, and the reduction of greening works also caused the price of trees to decline again. As a result, Company A's business line has taken an crucial turn, that is, instead of seeking to contract greening projects, Company A has shifted its market focus to planting high-quality trees, in order to reduce the cost of tree maintenance and help Company A reduce its operational losses.

The landscaping construction industry belongs to the "construction industry" in terms of industry segmentation, and is a labor-intensive industry. The construction projects such as site leveling, surveying and positioning, road construction, garden construction sketch, landscape design, seedling planting, water supply and drainage and sprinkler irrigation are mainly completed by manpower. In the specific implementation process of the project, most landscaping construction enterprises will choose labor subcontracting to solve the employment problem. According to Adam Smith, the father of modern economics, "the improvement of production efficiency comes from the division of labor", and professional subcontracting is the inevitable result of the specialization of industrial division of labor [11]. By employing local farmers to plant seedlings, Company A provides employment opportunities for farmers and reduces the transformation risk of farmers in the urbanization wave.



## 6. Conclusion

In a word, this study combines the impact of the changes of national ecological environment policies on the market entry and labor development of specific landscape enterprises, so as to deepen the impact of national policies on the industry as a whole.

This study still has many limitations and shortcomings. First, this study lacks reliable theoretical basis as support. Secondly, the research object selected in this study is not representative, and it is difficult to accurately restore the overall situation of the industry. Third, due to the limitations of the researchers themselves, the case analysis of the research object is not detailed enough, and the interview is not in-depth enough. This provides a reference for future research.

Future research can further explore the impact of national policies in other areas and combine quantitative analysis to further study related issues.

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