New Era County Economics

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Table of Contents

Preface ……2

Chapter One:
Strategic Importance of Vigorously Advancing County Economies …6
1.1 An Important Basis for High-Quality Economic Development ……8
1.2 Strategic Hinterlands for the Development of Urban Clusters and Metropolitan Circles……8
1.3 A Vital Space for Expanding Domestic Market Demand ……9
1.4 A Key Carrier for Comprehensive Rural Revitalization and Urban-Rural Integration ……10
1.5 A Foundational Platform for Building an Ecological Civilization and a Beautiful China ……10

Chapter Two:
The Essence of New Era County Economics……12
2.1 Upholding the New Development Philosophy: Coordinating New Industrialization, New Urbanization, and Comprehensive Rural Revitalization ……12
2.2 Putting People First: Strengthening County Industries That Enrich Local People ……14
2.3 Embracing Innovation-Driven Development: Cultivating New Quality Productive Forces at the County Level ……15
2.4 Adopting the Correct Strategic Approach: Pursuing Differentiated Development and Promote Integrated and Clustered Development……16

2.5 Upholding Full Leadership of the CPC: County Party Committee as the "frontline Command" ……17

Chapter Three:
Vibrant Practices of New Era County Economics ……19
3.1 Traditional Industry Upgrading Model ……19
3.2 Development Model for Emerging Industrial Sectors ……20
3.3 Development Model for Industrial Clusters ……21
3.4 Agricultural Industrialization Model ……22
3.5 Ecological Value Transformation Model……22
3.6 High-Level Openness Model……23
3.7 Culture – Tourism Integration Model ……24

3.8 Regional Coordination Model ·····25
3.9 Resource Endowment – Driven Model ·····26
3.10 East – West Collaboration Model ·····27

Chapter Four:
Distinctive Features of New Era County Economics ·····28
4.1 Strengthening the Counties while Enriching the People ·····28
4.2 Integrating Reform with Development ·····30
4.3 Connecting Urban and Rural Areas ·····31
4.4 Fusing Cultural Vitality with Economic Growth ·····33
4.5 Coordinating Development with Security ·····34

Chapter Five:
Profound Insights of New Era County Economics ·····37
5.1 Putting People First ·····37
5.2 Pluralistic Collaboration ·····38
5.3 Tailoring Development to Local Conditions ·····40
5.4 Innovation in Development ·····40

Conclusion ·····43

Acknowledgements and Compilation Notes ·····45

Counties are a key link in our Party's set-up and state power, an important basis for developing the economy, ensuring people's well-being, and maintaining and promoting the enduring peace and stability of our country.

——Xi Jinping

Preface

"When the counties are governed, the country is at peace." In China, the county-level administrative system dates back to the Spring and Autumn period (770-476 BC). With the formal implementation of the prefecture-county system under the Qin dynasty (221-206 BC), the county has endured as a stable and fundamental unit of administration, remaining unchanged through history. This nearly 3,000-year legacy has cultivated a rich tradition of county governance, offering essential institutional experience and cultural codes for modern county-level economic development. Today, counties in China encompass both urban and rural areas, serving as a pivotal hub that connects higher and lower administrative levels, coordinates different sectors, and links cities and countryside. They constitute a fundamental unit for both economic development and social governance in China.

Regardless of his tenure in local or central roles, General Secretary of the Communist Party of China (CPC) Central Committee Xi Jinping has consistently placed great importance on economic and social development, the improvement of governance, and the strengthening of leadership and Party organizations at the county level. In June 2015, shortly before the 94th anniversary of the founding of the CPC, Xi met with 102 outstanding county Party secretaries at the Great Hall of the People in Beijing. He emphasized that county Party committees are the "front-line command" in governing and revitalizing the nation, and the secretaries of these committees are the "commanders-in-chief," a core force for the Party's governance in the counties. He called on county Party secretaries to be loyal to the Party, take the initiative in economic development, serve the people wholeheartedly, and act as the pacesetter and model for the leadership team.

Xi Jinping's emphasis on county-level governance stems not only from his profound understanding of the Chinese history, but also from his theoretical reflection and practical exploration during his work in local government.

In Zhengding County, Hebei Province, Xi Jinping served successively as deputy secretary and then secretary of the county Party committee. With a reform-oriented mindset, he advanced the "household responsibility system," developed a "semi-suburban economic model," leveraged cultural resources to revitalize the county through tourism, and underscored the importance of attracting and cultivating talent to pay the way for doubling development. These efforts enabled this agricultural county on the central Hebei plain to catch up with the tide of the times and burst with vitality.

In Ningde City, Fujian Province, one of China's eighteen contiguous impoverished areas at the time, he advocated the principles of "the weak bird flying first" and the striving spirit that "enables water drops to penetrate rocks over time," offering strategic direction for eastern Fujian's campaign to shake off poverty. During his tenure at the provincial Party committee and government in Fujian, he visited Jinjiang seven times in

six years, personally summarized the "Jinjiang Experience" to promote county-level economic development.

In Zhejiang, Xi Jinping traveled to more than 90 counties and districts across the province. He visited Chun'an seven times, where he proposed the concept of "fostering a green development mindset among officials" and made eleven visits to Yiwu where he promoted the implementation of "strengthening county-level authority." He also personally conceived, orchestrated, and promoted the "Green Rural Revival Program," which aimed to foster exemplary models for common prosperity in counties and rural areas.

Since the 18th National Congress of the CPC, General Secretary Xi Jinping has issued important instructions on multiple occasions regarding developing and strengthening the county-level economy. At the Symposium on Promoting the Rise of the Central Region in the New Era, he stressed that "greater efforts are required to boost county economies to create new growth drivers." At the Symposium on Boosting Development of China's Western Region in the New Era, he highlighted that "county economies with distinctive characteristics should be developed." At the Symposium on Comprehensively Promoting Ecological Protection and High-Quality Development in the Yellow River Basin, he emphasized the need to "take the lead in achieving integrated urban – rural development within counties." The No. 1 Central Document issued consecutively over many years has proposed a series of robust measures to promote the development of the county-level economy and integrated urban-rural development. The Decision adopted at the Third Plenary Session of the 20th CPC Central Committee proposed to "expand county industries that benefit local people." In July 2025, the Central Urban Work Conference outlined key tasks for urban development. "Efforts will be focused on optimizing the modern urban system. This involves enhancing cities' comprehensive capacity to support population growth and social and economic development, fostering networked modern city clusters and metropolitan areas, advancing urbanization with a focus on county towns in a categorized approach, continuing to grant permanent urban residency to eligible rural residents who have moved to urban areas, promoting the coordinated development of cities of different sizes and small towns, and promoting the integrated development of urban and rural areas," it says.

The Recommendations of the CPC Central Committee for Formulating the 15th Five-Year Plan for National Economic and Social Development, adopted at the fourth plenary session of the 20th CPC Central Committee, propose, "We should develop county-level economy with unique features, explore multiple functions of agriculture, and promote greater integration of primary, secondary, and tertiary sectors in rural areas. We should nurture distinctive rural industries and refine the mechanisms for involving more rural residents to help sustain rural income growth."

Thanks to the country's persistent efforts to consolidate and expand the achievements of poverty alleviation, firmly safeguard the bottom line against large-scale relapse into poverty, comprehensively implement the rural revitalization strategy, and advance

people-centered new urbanization, "small counties" are unleashing "great potential."

Under the strong leadership of the CPC Central Committee with Xi Jinping at its core, and guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, particularly his economic thought, local governments across China have actively promoted innovation in county-level economic development, and, through practical experience, have constructed a relatively systematic theory of county economics for the new era.

Rooted in China's enduring history and distinctive culture and derived from the economic construction and development practices of socialism with Chinese characteristics in the New Era, New Era County Economics represents the theoretical culmination of integrating Marxist political economy with contemporary Chinese realities and the best of China's traditional culture. As an important component of Xi Jinping Thought on Economy, it provides significant ideological guidance and fundamental principles for promoting and realizing China's county-level modernization.

New Era County Economics adheres to Marxist political economy as its guiding principle, while integrating insights from various disciplines, including regional economics, development economics, and urban economics. It has evolved into a distinctive and relatively complete knowledge system based on the summary of China's practical experience in county-level economic development:

Spatially, it emphasizes urban-rural integration and city-led rural development, advocating for holistic planning and implementation mechanisms that integrate urban and rural areas, with the county functioning as a unified governance unit. It highlights the role of counties as a hub for the flow of urban and rural factors, steering the transition from factor-driven to innovation-driven growth, with the ultimate goal of achieving common prosperity across urban and rural areas.

Industrially, it calls for the cultivation of distinctive industrial clusters through "root excavation" (upgrading traditional industries) and "track positioning" (embracing strategic emerging sectors) to achieve the integration of the innovation chain, where R&D is anchored in metropolitan areas and industrial transformation occurs in counties.

In terms of governance, it advocates for expanded decision-making autonomy at the county level to unleash grassroots reform vitality. Development paths should be tailored to local conditions, with full utilization of China's fine traditional culture in county governance. The approach seeks to establish a pluralistic governance model to modernize county-level social governance.

New Era County Economics has taken root and flourished across China, giving rise to diverse and distinctive development models, and has been proven to be a successful economic approach through practice. By cultivating and strengthening county economies across China, New Era County Economics transcends the unipolar thinking of traditional growth pole theory, creating a "distributed growth pole," a capillary-like network of economic dynamism. This contributes to high-quality development and enduring social stability, constituting a historic transcendence of the Western "center – pe-

riphery" theoretical framework. Grounded in local context yet oriented toward global landscape, this development philosophy is shaping a distinctly Chinese narrative in the reconfiguration of the global economic map.

When counties prosper, municipalities flourish, provinces grow wealthier, and the nation becomes stronger. To understand the "Chinese miracle" of economic growth, one must first understand China's county economics. Amid rising counter-currents to globalization, New Era County Economics is leading China's drive for high-quality county-level economic development, demonstrating vast economic potential and the resilient vitality of the Chinese economy. It also offers Chinese wisdom and provides a Chinese reference for countries in the Global South as they strive for modernization in the face of common challenges.

Chapter One: Strategic Importance of Vigorously Advancing County Economies

The county, as an administrative division, first appeared during the Spring and Autumn period (770-476 BC). In China, the county economy[①] is a regional economic form based on county-level administrative divisions, with the county seat as the hub, townships as the link, and rural areas as the hinterland. It can transform modern production factors, such as urban capital, technology, and management, into a momentum for rural development. At the same time, it can provide support for urban development by utilizing rural land, ecological, and cultural resources, which is conducive to integrated urban-rural development in terms of factor allocation and industrial collaboration.

Counties account for approximately 90% of China's total land area and are home to 52% of the national population, contributing nearly 40% of the country's overall economic output. This means that the county economies, as the basic units of the national economy, are the foundation and guarantee for the employment and improved living standards of nearly half of China's population. Counties also fulfill key macroeconomic functions, such as expanding domestic demand and facilitating smooth economic circulation, and act as vital engines for advancing high-quality development. Counties are the essential link connecting urban and rural areas, the important hinterlands for the development of urban clusters and metropolitan regions, and a strategic support for consolidating and extending the achievements of poverty alleviation while advancing rural revitalization and urban-rural integration. Furthermore, they serve as ballast to safeguard China's ecological, agricultural, and border security.

The county economy can be regarded as the "micro-foundation" of China's broader economic structure—a holographic projection of the national economy within localized spatial units. This report adopts a "456789" framework to encapsulate the basic situation and characteristics of China's county economies.

"4" refers to the fact that county economies currently account for approximately 40% of China's GDP. According to the China Statistical Yearbook 2024, compiled by the National Bureau of Statistics, and the 2023 Statistical Bulletin on Civil Affairs Development issued by the Ministry of Civil Affairs, as of the end of 2023, there were a total of 1,867 county-level jurisdictions on the Chinese mainland, including 397 coun-

① According to the Constitution of the People's Republic of China, China implements a three-level administrative division system: provincial, county/city, and township levels. In practice, due to the inherent needs of unified governance and economic development, a prefecture-level administrative region has been added, forming China's four-level administrative division: province, prefecture, county/city, and township. Building upon the county designation, the structure has further evolved to include county-level cities, which were established through administrative conversion from counties to cities. While city-administered districts share the same administrative status as counties, they constitute the main part of prefecture-level cities and do not possess autonomous urban characteristics. Accordingly, they fall outside the scope of this report's definition of "county-level regions."

ty-level cities, 1,299 counties, 117 autonomous counties, 49 banners, 3 autonomous banners, 1 forestry district, and 1 special district. By 2024, the total economic output of county-level regions had reached RMB 54 trillion, accounting for nearly 40% of the national GDP, with 62 of them surpassing RMB 100 billion.

"5" refers to the fact that counties are home to over 50% of China's population. Data from the Seventh National Population Census shows that county-level regions are home to 725 million people, accounting for 51.5% of the national total. In eastern China, county-level cities such as Kunshan in Jiangsu and Jinjiang in Fujian have resident populations exceeding 2 million.

"6" refers to the expectation that more than 60 percent of future personal consumption growth will come from lower-tier markets, which includes county-level areas. Over the past two years, many counties have enhanced their commercial infrastructure, optimized consumption environments, and innovated consumption scenarios, thereby increasing their prominence in domestic spending. In 2024, average rural per capita consumption stood at only 55.8% of the urban level, signaling significant growth potential. McKinsey & Company predicts that by 2030, over 66% of China's personal consumption growth will come from lower-tier markets, including third-tier cities and below, counties and townships, making counties pivotal in boosting China's consumption.

"7" refers to the fact that 70% of the newly added national 5A-level scenic spots are located in county regions. Statistics show that since 2020, approximately 70% of the newly designated national 5A-level scenic spots have been located in county-level regions. Counties and county-level cities, such as Anji and Tonglu in Zhejiang, Dujiangyan in Sichuan, Yangshuo in Guangxi, and Wuyuan in Jiangxi, have long been at the forefront of China's popular tourist destinations. More niche travel destinations, unique accommodation experiences, and interesting ways to travel are strengthening these "small and beautiful" counties to unleash "great energy" in the cultural tourism industry.

"8" refers to the fact that counties contribute nearly 80% of China's total value-added in primary industries. The Plan for Accelerating the Construction of a Strong Agricultural Nation (2024 – 2035), issued by the CPC Central Committee and the State Council in April 2025, referenced "counties" 13 times, highlighting their pivotal role in building up China's strength in agriculture. According to the 2023 China County-Level Statistical Yearbook, counties accounted for 75.66% of the national value added in primary industries in 2022. At the same time, counties were responsible for 83% of total grain production, reaffirming their status as the principal arena for primary industry development and the cornerstone of national food security. The agricultural produce of various regions—notably grain from Northeast China's black soil, vegetables from Shandong, and fruits from Guangxi—constitute key pillars and vibrant symbols of their respective provinces' county-level economies.

"9" refers to the geographic scale of counties, which covers approximately 90% of China's total land area. The largest is Ruoqiang County in Xinjiang Uygur Autonomous Region, spanning 202,300 square kilometers, twice the size of Zhejiang Prov-

ince. Shengsi County in Zhejiang Province has the smallest land area, and due to its location in the East China Sea, the county's total area is 8,824 square kilometers, of which the sea area accounts for 8,727 square kilometers, while the land area is only 97 square kilometers.

Functionally, county economies encompass agriculture, industry, and services. In terms of ownership structure, they span state-owned, collective, and private economies. While counties may not match the scale of large or medium-sized cities, they often possess comprehensive urban infrastructure, including transport hubs, commercial centers, hospitals, schools, and banks. The implementation of central government directives, the formulation and execution of local policies, the maintenance of social order, and the safeguarding of public welfare all depend on robust governance and a solid economic foundation at the county level.

If megacities like Beijing, Shanghai, and Guangzhou represent the "face" of Chinese modernization, then counties constitute its "substance." Without the modernization of county economies, the modernization of 1.4 billion Chinese people and Chinese modernization would be unattainable.

1.1 An Important Basis for High-Quality Economic Development

High-quality development is the top priority in building a modern socialist country in all respects. As a crucial component of China's economy, counties contribute approximately 40% of the national GDP. In 2024, county-level cities such as Kunshan and Jiangyin in Jiangsu Province boasted robust GDPs exceeding RMB 500 billion, comparable to that of some provincial capitals, underscoring the vital role of the county economies in China's economic transformation and upgrading.

Notably, counties are also vigorous contributors to the construction of a modern industrial system. With confidence as the anchor, resource endowments as the rudder, and innovation as the sail, many counties and county-level cities are navigating steadily toward high-quality development. Kunshan's electronic information industry, Yueqing's electrical equipment sector, and Jinjiang's footwear and apparel industries have all attained strong domestic and international market positions. On the one hand, counties leverage their resource endowments, such as energy and grain, to supply raw materials for urban industrial development. On the other hand, they serve as strategic platforms for industrial chain transfer and industrial supporting cooperation with urban clusters, providing convenient conditions for industrial docking between urban and rural areas.

1.2 Strategic Hinterlands for the Development of Urban Clusters and Metropolitan Circles

County economies are critical to the success of China's new urbanization reforms

and are particularly important in accelerating regional integration. Major economic growth poles, including the Beijing – Tianjin – Hebei region, the Yangtze River Delta, the Guangdong – Hong Kong – Macao Greater Bay Area, and the Chengdu – Chongqing city cluster, all encompass numerous counties. Without the deep integration and shared development of county economies, there can be no truly meaningful, high-quality regional integration. The growth of county economies and the improvement of county governance capacity will inject strong momentum into integrated regional development.

In recent years, the county economies have been growing rapidly, especially in the areas surrounding large cities. Industrial chain divisions, infrastructure development, and public service provision are increasingly aligned with urban standards, positioning counties as vital actors in the regional integration landscape. Kunshan, for example, is deeply integrated into the city cluster of the Yangtze River Delta; Guanghan in Sichuan Province relies on its proximity to the Chengdu – Chongqing cluster; and Xinfeng in Jiangxi actively aligns with the Guangdong-Hong Kong-Macao Greater Bay Area. These counties are not only strengthening their own economies but also emerging as new highlights in the pursuit of high-quality integrated regional development.

1.3 A Vital Space for Expanding Domestic Market Demand

Domestic demand is the fundamental driving force behind China's economic development and an inherent requirement for meeting the people's ever-growing needs for a better life. Since the 18th National Congress of the CPC, under the strong leadership of the Party Central Committee with Xi Jinping at its core, China has steadfastly implemented the strategy of expanding domestic demand and fostering a robust internal market, with domestic consumption playing an increasingly significant supporting role. Promoting coordinated development across urban and rural areas and unleashing the consumption potential of third- and fourth-tier cities, counties, and villages is of great significance for stimulating consumption potential and expanding the domestic demand market.

Currently, over 50% of China's population still resides in counties, forming a massive bedrock for domestic demand. In 2023, retail sales of consumer goods in county-level regions accounted for 46.3% of the national total, with consumption growth in these regions significantly outpacing that of larger cities. McKinsey forecasts that by 2030, 66% of China's increase in personal consumption will come from county-level markets. A prominent new consumption industry leader, listed on the Hong Kong Stock Exchange in 2025, has prioritized penetrating lower-tier markets, including county-level regions, as its primary strategy, with 57% of its stores located in third-tier cities and below.

Many counties have already innovated vibrant consumption scenarios: Zhouzhi

County, at the foot of the Qinling Mountains, has transformed old village houses into coffee shops that attract tourists; Tongxiang, a region that doesn't produce wool, has become China's largest woolen sweater distribution hub; Yiwu evolved from humble street-side bartering into Asia's largest small commodities market, blending import, export, re-export, and domestic trade into a strategic node of China's dual circulation strategy. Looking ahead, as county economies continue to grow, resident incomes rise, and infrastructure and public services improve, counties are bound to unleash even greater potential for domestic demand, making them a crucial sphere and direction for further expanding China's economic development.

1.4 A Key Carrier for Comprehensive Rural Revitalization and Urban–Rural Integration

"Agriculture is the foundation of a country; when the foundation is solid, the country is at peace." Rural revitalization is essential for national rejuvenation. As the primary spatial carriers of rural areas, counties not only connect urban and rural flows of production factors, but also serve as the principal platforms for advancing work related to agriculture, rural areas, rural people, promoting rural revitalization, and integrating urban – rural development. Leveraging county economies to integrate and optimize resource allocation across urban and rural areas can facilitate industrial upgrading and improve public services, creating favorable conditions for rural revitalization and integrated urban-rural development.

Located in the heart of the Songliao Plain of Jilin Province, Gongzhuling City consistently ranks among the top national grain-producing counties for both total corn output and yield per unit of land. Beyond its impressive agricultural production, the city has creatively diversified its corn industry into a range of value-added products, including various corn-based foods, corn starch, and corn oil. Similarly, Xizang's Jiangzi County cultivated the deep processing of highland barley as a distinctive plateau industry, transforming a local specialty into a major industry. Caoxian County in Shandong has, through the development of e-commerce, attracted 12,000 college graduates, including nearly 100 holders of master's and doctoral degrees, back to their hometown for employment and entrepreneurship. These examples illustrate how counties have become crucial spaces for coordinating urban-rural development and promoting new urbanization, as well as key entry points for enhancing rural incomes and fostering urban-rural integration.

1.5 A Foundational Platform for Building an Ecological Civilization and a Beautiful China

The green development of county economies, the basic units of the national economy, directly affects the broader success of building an ecological civilization and realiz-

ing the vision of a Beautiful China. During his tenure in Zhejiang, Xi Jinping visited more than 90 counties, including seven trips to Chun'an County, where he proposed the concept of "fostering a green development mindset among officials." In August 2005, during a visit to Yucun Village in Anji County, Xi Jinping first proposed the scientific assertion that "lucid waters and lush mountains are invaluable assets," which has become the guiding principle for China's county-level ecological development and the broader "Beautiful China" initiative.

Located on the coast of the Yellow Sea, Rongcheng in Shandong Province has achieved "both beautiful and strong" economic development by protecting the marine ecology and developing the marine economy, resulting in a surge of both "blue" and "green" growth momentum. Pujiang in Sichuan Province has strived to transform its ecological beauty into economic value, with the number of visitors and total revenue from leisure agriculture and rural tourism ranking among the top in the province. More counties are building beautiful towns and villages with local features through measures such as optimizing industrial structures, strengthening rural infrastructure, and promoting green urbanization. The county economies can also become a testing ground and incubator for green technology innovation, achieving the organic unity of production, ecology, and lifestyle, and providing valuable experiences and models for advancing green development nationwide.

Chapter Two:
The Essence of New Era County Economics

Economic development and governance efficiency at the county level are crucial for implementing major strategies, such as urban-rural integration and coordinated regional development, as well as for advancing the broader goal of Chinese modernization. General Secretary Xi Jinping has attached great importance to the socioeconomic development of counties, offering a series of significant insights on themes including urban – rural integration, county-level industrial revitalization, and governance. These remarks comprehensively define the essence of New Era County Economics. Rich in substance and insight, they hold significant practical and historical relevance for promoting high-quality development of county economies, coordinating new industrialization, new urbanization, and comprehensive rural revitalization, and ultimately realizing common prosperity for all.

2.1 Upholding the New Development Philosophy: Coordinating New Industrialization, New Urbanization, and Comprehensive Rural Revitalization

New Era County Economics emphasizes full, accurate, and comprehensive application of the new development philosophy, coordinating the advancement of new industrialization, new urbanization, and comprehensive rural revitalization, and promoting integrated urban-rural development to ensure steady progress toward Chinese modernization.

The success or failure of modernization hinges, to a considerable extent, on how the relationships between industry and agriculture, and between urban and rural areas, are managed. In December 2020, at the Central Rural Work Conference, General Secretary Xi Jinping stated that "the next 15 years will be a critical window period for breaking down the urban-rural dual structure and improving institutions and mechanisms for integrated urban-rural development." He also stressed the need to "take counties as an important entry point for integrated urban-rural development, advance coordinated planning in areas such as spatial layout, industrial development, and infrastructure at the county level, properly arrange and handle urban-rural relations, and promote integrated design and advancement."

In May 2022, the General Office of the CPC Central Committee and the General Office of the State Council issued the Guidelines for Advancing Urbanization with a Focus on County Towns, stating that county towns are a vital component of China's urban system and a critical foundation for urban-rural integration. They play a significant role in advancing new urbanization and fostering new relationships between industry and agriculture, as well as between urban and rural areas. At the Central Economic Work Conference held in December 2023, it was proposed that "by combining new ur-

banization and comprehensive rural revitalization, we will facilitate the two-way flows of various production factors and promote the new urbanization centered on county seats to generate a new mode of integrated urban and rural development." The Decision of the Third Plenary Session of the 20th Central Committee of the Communist Party of China further emphasized the need to "pursue coordinated progress in new industrialization, new urbanization, and comprehensive rural revitalization."

The shift from "dual coordination" to "triadic integration" marks a deepening understanding by the Party of the laws governing county-level economic development and urban-rural integration in the process of Chinese modernization. Unlike the sequential, "serial" development process of industrialization, urbanization, agricultural modernization, and informatization in Western developed countries, Chinese modernization, aimed at catching up, necessitates the "parallel" and superimposed development of these four modernizations, while dynamically interacting and optimizing in synergy with rural revitalization.

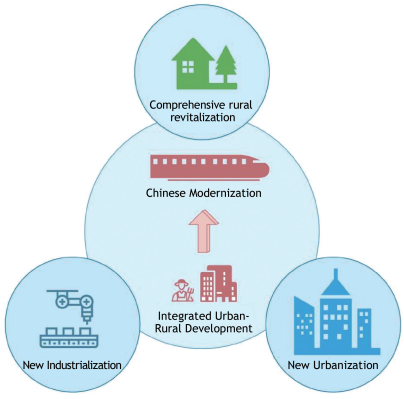
New industrialization is guided by the new development philosophy, centered on high-quality development, driven by independent innovation, underpinned by green and low-carbon principles, characterized by the integration of digital and real economies, and shaped by an open and circular spatial structure.

New urbanization is a people-centered urbanization process marked by urban-rural integration, interaction between industries and cities, resource efficiency, ecological livability, and harmonious development. It involves the coordinated development of large, medium, and small cities alongside small towns, fostering mutual progress between urban and rural areas.

Comprehensive rural revitalization aims to promote agricultural and rural modernization, focusing on enhancing rural development, infrastructure, and governance. It is defined by the general requirements of thriving businesses, eco-friendly environments, social etiquette and civility, effective governance, and a prosperous rural population.

Only through the coupling, interaction, and synergistic upgrading of these three strategies can a powerful and effective synergy be achieved.

The "Triadic Integration" Theoretical Framework for Coordinating New Industrialization, New Urbanization, and Comprehensive Rural Revitalization



2.2 Putting People First: Strengthening County Industries That Enrich Local People

New Era County Economics emphasizes the importance of fostering county economies with local features by developing robust agricultural counties, prominent industrial counties, and renowned tourism counties to facilitate local employment and income growth for rural residents. It prioritizes the cultivation of county industries with clear comparative advantages, significant economic ripple effects, and substantial job creation potential. Comprehensive measures should be taken to ensure stable employment for migrant workers while unlocking the potential for income growth through business operations and wage labor.

Since the 18th National Congress of the CPC, the Party Central Committee with Xi Jinping at its core has adhered to the people-centered development philosophy, integrating the enhancement of the people's sense of gain, happiness, and security into all aspects of reform, development, and stability. It has launched a series of pioneering initiatives to promote common prosperity and achieve fairness and justice. At the 2024 Central Economic Work Conference, General Secretary Xi Jinping emphasized, "We must develop industries, empower counties and enrich people in an integrated manner according to local conditions, and do everything possible to expand channels for farmers to increase incomes." At the 2024 Central Rural Work Conference held on December, he stated that efforts should focus on "actively developing rural industries that enrich the people, enhancing the comprehensive benefits of agriculture, strengthening the county-level economies, broadening channels for increasing farmers' incomes, continuously consolidating and expanding the achievements of poverty alleviation, and firmly upholding the bottom line of preventing large-scale return to poverty." In recent years, the annual No. I Central Document has consistently outlined specific strategies for developing county industries to enrich local people, and the Decision of the Third Plenary Session of the 20th CPC Central Committee explicitly required "expanding county industries that enrich local people."

Industries are the foundation of development. County industries that enrich local people typically exhibit strong regional features, pronounced industrial clustering effects, and significant job creation capacity. These industries must be rooted in local resource conditions and factor endowments, leveraging complementary urban-rural divisions of labor and economic cycles while emphasizing the integration of primary, secondary, and tertiary industries within counties. This approach ultimately fosters job creation, entrepreneurship, and income growth for residents. By developing industry clusters that link urban and rural areas, enhancing the industrial carrying capacity and supporting service functions of county towns, establishing key processing and distribution nodes in priority towns, and building high-quality raw material bases in suitable villages, the value-added benefits of agricultural products can be retained in rural areas and

accrue to farmers. By tapping into the unique resources of agriculture and rural areas, counties can unlock benefits through the diversified functions of agriculture and the multifaceted value of rural areas, as well as through the integrated development of primary, secondary, and tertiary industries. This holistic approach — spanning production, processing, and marketing, while integrating agriculture, culture, and tourism — drives the comprehensive upgrading of rural industrial chains, enhancing market competitiveness and sustainable development capacity.

Over decades of refinement and growth, China has cultivated numerous exemplary county industries that enrich local people and have gained widespread recognition and influence. For instance, General Secretary Xi Jinping has repeatedly praised distinctive county industries, such as Huaniu apples from Tianshui, Gansu; black fungus from Zhashui, Shaanxi; sugarcane from Laibin, Guangxi; pomegranates from Zaozhuang, Shandong; and tea from Wuyishan, Fujian, among others. These diverse and adaptable county industry systems share key characteristics: they are tailored to local conditions, closely linked to related industries, labor-intensive, and tightly integrated with both market dynamics and government support. These industries have opened up broad prospects for China's counties to transform their economic development models, adjust and optimize their economic structures, resolve the issue of local employment for urban and rural populations, and achieve the goal of common prosperity.

2.3 Embracing Innovation– Driven Development: Cultivating New Quality Productive Forces at the County Level

New Era County Economics emphasizes that China's economic development has transitioned from a phase of rapid growth to one of high-quality development. Counties must anchor their strategies in technological innovation, unleash the intrinsic momentum of innovation-driven development, actively foster new quality productive forces, and accelerate the formation of new economic growth drivers.

Innovation is the primary force in leading development. The implementation of an innovation-driven development strategy finds its foundation, vitality, and challenges in counties. Compared to large and medium-sized cities, counties often occupy the tail end of the innovation chain, with fewer higher education institutions and research institutes, limited application scenarios for production factors such as technology and data, and relatively weaker capacity to attract talent.

In July 2016, during his inspection tour in Ningxia, General Secretary Xi Jinping emphasized, "The more underdeveloped a region, the greater the need to implement an innovation-driven development strategy." He added, "Underdeveloped regions can enhance their innovation capabilities through mechanisms like East-West collaboration and paired assistance, exploring new paths for innovation-driven development with innovative thinking and resolute confidence." In May 2017, the General Office of the

State Council issued the Opinions on Promoting Innovation-Driven Development at the County Level, providing top-level design for county-level innovation. In March 2025, during his inspection trip in Yunnan, General Secretary Xi Jinping stated that promoting industrial transformation and upgrading is a key task for high-quality development. Given the differences in local resource endowments and basic conditions, promoting industrial transformation and upgrading must be grounded in reality, follow economic laws, and highlight distinctive features.

Currently, many Chinese counties are actively advancing new industrialization as well as nurturing and developing new quality productive forces by leveraging reform, opening-up, and technological innovation. Data from the CCID County Economy Research Center indicates that China's counties host 22 national high-tech zones, 144 national innovative counties (or county-level cities), and 58 model and pilot counties in the National Intellectual Property Strong Counties Program.

Additionally, they have established 356 national enterprise technology centers and 132 national technology business incubators. Some counties have surpassed the national average in R&D investment intensity. For instance, Changshu in Jiangsu reached an R&D intensity of 4.18% in 2024. High-tech industries have become a primary growth driver in certain counties. In 2024, counties such as Yuyao, Yueqing, and Yiwu in Zhejiang Province, as well as Jiaozhou in Shandong Province, saw the output value of their high-tech industries exceed 60% of total output from enterprises above designated scale, a ratio that surpassed their respective provincial averages.

2.4 Adopting the Correct Strategic Approach: Pursuing Differentiated Development and Promote Integrated and Clustered Development

New Era County Economics emphasizes that each county should leverage its unique features and comparative advantages, scientifically assess its functional positioning and primary focus, and apply systems thinking to effectively connect and integrate distinctive "pearls" (county-specific industries) into a value-multiplying "necklace" (regional industrial clusters or economic belts). This approach strengthens strategic guidance, optimizes the business environment, and injects robust, sustained momentum into the high-quality development of counties and broader regions.

China is vast in terms of territory and population, with counties differing in their resource endowments, industrial foundations, geographic conditions, cultural heritage, and ecological functions. In May 2023, while listening to the work report of the Shaanxi Provincial Committee of the CPC and Government, General Secretary Xi Jinping called for developing small towns in light of local conditions, promoting the standardized and healthy development of distinctive towns, and building a county-level economic system with county seats as hubs and small towns as nodes. In March 2025, during his inspection tour in Guizhou, Xi Jinping said that it was important to build on the county-level

industrial foundation, attach importance to the division of labor and collaboration, adopt differentiated development approaches, and promote the integrated and clustered development. These important directives provide scientific guidance and fundamental principles for regions to promote high-quality economic development at the county level based on their distinctive realities.

Across China, vivid examples abound: Shuangfeng County in Hunan has cultivated a national-level SME distinctive industrial cluster targeting the agricultural machinery needs of hilly and mountainous areas; Caoxian County in Shandong has expanded its Hanfu (traditional Chinese clothing) brands into international markets through e-commerce collaboration; and Anxi County in Fujian has pioneered a "tea + cultural tourism" model. These practices of "one county, one industry" and "one township, one specialty" are dynamic cases of leveraging comparative advantages to achieve differentiated development tailored to local conditions, showcasing the vibrant vitality of China's county-level economic growth.

2.5 Upholding Full Leadership of the CPC: County Party Committee as the "front–line Command"

New Era County Economics emphasizes the importance of strengthening the full leadership of the CPC over economic development at the county level. This involves enhancing the decision-making, problem-solving, and public service capacities of Party committees and local governments, building a high-caliber team of county-level leadership, and intensifying efforts to train and attract professionals equipped with modern governance concepts and management skills. These measures lay a solid foundation for the high-quality development of county economies and the modernization of county governance.

Enhancing the development of the county-level economy and the modernization of county-level governance hinges critically on the role of governments. During his tenure in Fujian, Xi Jinping made seven visits to Jinjiang in six years, summarized the "Jinjiang Experience," with "Six Adherence" and "Correctly Handling Five Relations" as its core connotations. A key aspect of this experience is its particular emphasis on strengthening government guidance and services to support the development of a market economy, while balancing this growth with the establishment of a new, service-oriented government. Since the proposal of the "Jinjiang Experience," Jinjiang's county-level economic strength has consistently ranked first in the province and among the top ten nationally, making it a model for county-level economic development and a county-level example of Chinese modernization. This is closely related to the Jinjiang County Committee of the CPC and government focusing on fulfilling three key roles: "pathfinder," "facilitator," and "service provider," and adhering to the "four commitments" to "refraining from unsolicited intervention, responding promptly when needed, providing thorough support, and honoring commitments with credibility."

County committees of the CPC serve as the Party's "front-line command" in governing and revitalizing the nation, with county Party secretaries acting as the "chief commanders." Since the 18th National Congress of the CPC, General Secretary Xi Jinping has placed significant emphasis on the building of the corps of county Party secretaries, frequently referred to exemplary county Party secretaries such as Jiao Yulu, Gu Wenchang, and Yang Shanzhou, conveying his sincere hopes.

In January 2015, General Secretary Xi Jinping presided over a symposium with participants of the first training program of the Central Party School for secretaries of county committee of the CPC. In his speech, Xi emphasized that to be a secretary of a county committee of the CPC, one must emulate Jiao Yulu, always bearing in mind the Party, the people, responsibility, and discipline. In June 2015, during a meeting with 102 outstanding county Party secretaries, he put forward four requirements: first, to be someone with a clear understanding of politics; second, to be a pathfinder for development; third, to be close to the people and attentive to their needs; fourth, to be a leader who sets an example for the team.

On the afternoon of October 15, 2024, during an inspection tour in Fujian, General Secretary Xi Jinping visited the Gu Wenchang Memorial Hall in Dongshan County, Zhangzhou City. There, he learned about the inspiring deeds of the late county Party secretary Gu Wenchang, and had cordial exchanges with teachers and student representatives from an executive leadership academy named after Gu Wenchang. Xi said that Comrade Gu Wenchang enjoys widespread acclaim and deep admiration in Fujian, serving as an exemplary representative of the numerous outstanding leaders of the CPC. He emphasized that when learning from his exemplary deeds, one should not only look up to him with great admiration but also follow the example of the virtuou, emulate his way of conducting oneself and serving in public office, and bear in mind that "an official should bring benefit to the people during his tenure." Only by following this path can one uphold what is right and just.

Xi further emphasized that county-level development and governance must firmly prioritize strengthening the Party's grassroots organizations. These organizations serve as the bridge and bond connecting the Party with the people, acting as the political core of various grassroots social organizations, including village committees. The implementation of the Party's and the state's policies and work arrangements ultimately relies on primary-level officials to unite and lead the people, just as the economic, political, and cultural interests of the people depend on these officials to organize and guide the people toward their realization. Each organization is a fortress, and each member of the CPC is a banner. The grassroots level is the foundation for enhancing the Party's governing capacity.

Chapter Three: Vibrant Practices of New Era County Economics

County-level economic development serves as a cornerstone for promoting urban–rural integration, comprehensive rural revitalization, and achieving common prosperity. Since entering the New Era, China's county economies have achieved remarkable progress in high-quality development, playing an increasingly prominent role in advancing Chinese modernization.

Counties across China have actively studied and applied the fundamental principles and methodologies of New Era County Economics, breaking through challenges, accelerating industrial transformation and upgrading, and tailoring strategies to local conditions. These efforts have strengthened county economies and fostered integrated progress in developing industry, empowering counties, and enriching local people, leading to a diverse array of distinctive development models.

3.1 Traditional Industry Upgrading Model

In recent years, as advantages such as regional natural resources and low-cost labor have gradually diminished, some counties' extensive traditional development models have become unsustainable, facing the pains of transformation and bottlenecks in innovation-driven development. However, certain counties and cities have drawn inspiration from New Era County Economics, seizing opportunities presented by the new round of technological revolution and industrial transformation. By upgrading traditional industries and innovatively developing new quality productive forces, these counties have effectively invigorated their economies.

Against the backdrop of weak recovery in domestic and international markets and significant downward economic pressure, Jinjiang achieved a GDP growth of 8.2% in 2024, reaching RMB 364.745 billion. Leading sportswear firms based in Jinjiang, such as Anta, Xtep, and 361°, have demonstrated acute responsiveness to domestic consumption upgrades by continuously innovating in areas including fabric development, design, production techniques, and process management. Driven by both management and technological innovation, the industrial value-added of Jinjiang's traditional pillar industries—textiles, footwear and apparel, food processing, and building materials—grew by 9.5% for enterprises above the designated scale.

New Era County Economics emphasizes that traditional manufacturing is the foundation of a modern industrial system. It advocates accelerating digital transformation, promoting advanced and applicable technologies, and enhancing the levels of high-end, intelligent, and green development. Amid increasingly fierce global manufacturing com-

petition and rapidly accelerating technological changes, county-level traditional industries must seek transformation, upgrading, and breakthroughs in technological innovation, resource and energy consumption, emissions, market-oriented operations, and operational efficiency. At the same time, by intensifying technological innovation and the application of digital technologies, counties should strive to achieve deep integration between the digital and real economies, thereby realizing high-quality development of their economies.

3.2 Development Model for Emerging Industrial Sectors

The crux of county-level economic development lies in cultivating and strengthening leading industries. To drive industrial innovation, counties must steadfastly anchor themselves in the real economy as the foundation, promote the transformation and upgrading of traditional industries, and boldly pioneer new tracks for strategic emerging industries and future industries. Many counties have seized opportunities to actively foster and expand emerging industries, strategically plan for future industries, and continuously refine their modern industrial systems.

Following successive phases of industrial transition, namely, agricultural-to-industrial shift, inward-to-outward orientation, fragmented-to-clustered development, low-end to high-end upgrading, and large-scale to high-quality transformation, Kunshan City in Jiangsu Province has positioned itself within emerging industrial tracks to develop emerging industries. It has established a "2+6+X" industrial framework, comprising two pillar industries, namely next-generation electronic information (valued at RMB 700 billion) and high-end equipment manufacturing (valued at RMB 300 billion), alongside six strategic emerging industries: new display technologies, smart manufacturing, new medicine, new energy, new materials, and new digital industries. The "X" represents future industries, including the metaverse, advanced computing, and aerospace.

Kunshan's entry into new tracks is not an indiscriminate pursuit of trends but a deliberate strategy tailored to local conditions and aligned with broader trends. In recent years, while sectors like new energy have gained significant traction, Kunshan has not rushed headlong into these fields. Instead, it has conducted meticulous comparative studies to select the most suitable domains for its developmental thrust. Similarly, Yueqing City in Zhejiang Province has pursued the development of emerging industries by integrating its electrical industry with new energy sectors, targeting breakthroughs in electric vehicles, charging infrastructure, and energy storage.

New Era County Economics emphasizes the importance of leveraging technological innovation to drive industrial innovation, particularly by harnessing disruptive and cutting-edge technologies to foster new industries, models, and growth drivers, thereby developing new quality productive forces. To achieve high-quality development in county economies, it is imperative to establish systems and mechanisms tailored to local condi-

tions for the development of new quality productive forces. This involves continuously expanding strategic emerging industries such as new energy, new materials, advanced manufacturing, and electronic information, while actively cultivating future industries. By accelerating the formation of new quality productive forces, counties can enhance their new growth drivers.

3.3 Development Model for Industrial Clusters

Industrial clusters serve not only as a critical organizational form for modern industrial development but also as a vital pillar for the rapid advancement of county economies. Through policy guidance, industrial chain integration, and technological innovation, numerous regions have accelerated industrial upgrading, fostering a series of distinctive county-level industrial clusters with national and even global influence. According to the Research Report on High-quality Development of China's County Economy in 2024 by CCID Consulting, among the 200 small and medium-sized distinctive industrial clusters recognized by the Ministry of Industry and Information Technology in 2022 and 2023, over 40% (81 clusters) are located in counties, predominantly in the manufacturing sector.

Ningxiang County in Hunan Province has shifted away from the traditional non-selective approach of investment promotion, adopting a "strategic planning-based investment attraction" model centered on industrial chain development. Rather than focusing solely on short-term benefits, Ningxiang engages enterprises in comprehensive discussions covering technological pathways, industry prospects, and capital market dynamics. This targeted approach has enabled Ningxiang to build, strengthen, supplement, and extend multiple industrial chains, resulting in three robust chains in advanced energy storage materials, construction machinery, and smart home appliances and components, alongside two distinctive clusters in life sciences and food and agricultural product processing.

In Jiangxi Province, Guixi City accounts for over one-tenth of national copper production. Because of rapid technological iterations in the copper industry, Guixi maintains a strong sense of vigilance, continuously pursuing technological breakthroughs. As a result, multiple production processes and technological equipment in its copper industry have achieved advanced global rankings. Its copper-based new materials industrial cluster has been recognized as a national-level distinctive industrial cluster for small and medium-sized enterprises.

New Era County Economics emphasizes that the development of distinctive county-level industrial clusters should focus on leveraging industrial foundations, enhancing division of labor and collaboration, and pursuing differentiated development to create interconnected industrial chains. On the one hand, counties must select industrial development directions that align with their resource endowments, geographical features, and growth potential, supported by comprehensive planning. On the other hand, they

should actively align with national strategies and regional plans, transcending geographical boundaries to facilitate the cross-regional optimization of resources such as technology, talent, and markets, thereby aggregating diverse competitive advantages.

3.4 Agricultural Industrialization Model

Compared to large and medium-sized urban areas, the overall industrial development level of counties remains relatively low, with pronounced regional imbalances between the eastern and central-western regions. While eastern counties have leveraged locational advantages to form modern industrial clusters, many counties in the central and western regions continue to be characterized as "agricultural giants, industrial dwarfs, and fiscal weaklings." Nevertheless, certain counties have capitalized on their unique natural resources and traditional agricultural strengths to develop distinctive local agri-products, injecting sustainable endogenous momentum into rural revitalization.

In Northeast China, Gongzhuling City in Jilin Province, also known as "China's Corn Capital", has consistently maintained an annual corn output of approximately 3 million tons. It has become a national hub where corn seeds are sold nationwide and value-added corn products reach international markets. Innovations in smart agricultural machinery, high-quality crop varieties, and the conservation of black-soil farmland continue to empower the cultivation of new quality productive forces in agriculture.

In Southeast China, Lianjiang County in Fujian Province boasts a maritime area of 3, 112 square kilometers, which is 2.7 times its land area. By integrating policy dividends with technological innovation, the county is advancing aquaculture from the "light blue" nearshore zone to the "deep blue" offshore frontier. Through multifaceted strategies, it has created a modernized "blue granary", with total aquatic product output reaching 1.3368 million tons in 2024, a year-on-year increase of approximately 4%. The "fisherman's ballad" of rural revitalization resounds joyfully along its coast.

The pathway to high-quality development in agricultural counties lies in vigorously promoting modern agriculture, cultivating rural industries with local features, and expanding agri-product processing capabilities to extend industrial chains and elevate value chains. New Era County Economics emphasizes the enhanced integration of primary, secondary, and tertiary industries to create more development opportunities. It advocates for elevating agricultural operations to higher levels of intensification, organization, scale, socialization, and industrialization, enabling dispersed smallholder farmers to integrate into major industries and access broader markets. Supported by technological innovation and equipment optimization, this approach drives the transformation and iterative upgrading of agricultural industries.

3.5 Ecological Value Transformation Model

Prioritizing ecological conservation is essential for achieving long-term development.

Some counties have synergistically pursued carbon reduction, pollution mitigation, green expansion, and economic growth, unlocking "ecological dividends" by transforming "ecological advantage" into "economic value." This approach establishes a pathway for converting lucid waters and lush mountains into invaluable assets.

In Rongcheng, located at the easternmost tip of the Shandong Peninsula, the landscape is characterized by azure skies, pristine seas, and graceful swans gliding along the shorelines. With air quality consistently ranking first in Shandong Province and nearshore water quality maintained above the national Class II standard, Rongcheng's superior ecological environment and marine resources provide a robust foundation for its economic development. The city has sustained an annual economic output exceeding RMB 100 billion for multiple consecutive years and was recognized as the "2024 Most Livable City." Currently, Rongcheng is committed to green development principles, striving to build a "zero-carbon city" while advancing confidently toward a future that is ecologically beautiful and economically robust.

Pujiang County in Sichuan Province, situated at the confluence of Chengdu, Meishan and Ya'an cities, boasts a forest coverage rate of 70.68%. Responding to the emerging trend of urbanization in metropolitan peripheries, Pujiang has aligned its development strategies with the demands and development of nearby cities, linking pastoral landscapes with urban lifestyles. By leveraging its "poetic ecological beauty," Pujiang has transformed rural charm into widespread popularity, positioning itself at the forefront of leisure agriculture and rural tourism in Sichuan. In 2024, Pujiang achieved a regional GDP of RMB 22.86 billion, reflecting a 6% year-on-year growth, with per capita disposable incomes for urban and rural residents increasing by 4.3% and 6.4%, respectively. This success exemplifies the transformation of ecological advantage into economic value.

For ecological counties to adhere to the guiding principle that "lucid waters and lush mountains are invaluable assets," their core strategy involves effectively coordinating ecological preservation with economic development. New Era County Economics emphasizes the importance of maintaining a correct attitude toward governance performance, strengthening ecological consciousness, and achieving high-quality development through green and sustainable growth. Meanwhile, counties must rigorously uphold critical baselines, including production safety, farmland protection, and environmental conservation.

3.6 High–Level Openness Model

In the current era, when economic globalization and regional economic integration are increasingly intertwined, county economies and open economies are no longer distant parallel tracks but are interwoven, collectively painting a dynamic picture of socioeconomic development. Globalization is no longer exclusive to large cities. From industrial chain investment promotion to cross-border digital trade, from alignment with in-

ternational technical standards to the cultivation of globalized talent ecosystems, a growing number of counties are leveraging policy innovation and modern governance capacity to integrate into global value chains.

With its ethos of "buying from the world and selling to the world," Yiwu in Zhejiang has kept its crown as the "World's Supermarket" for years. Thanks to ongoing reforms, the city has launched initiatives such as the Yiwu Pay platform, the Foreign Merchant Card, and a multi-channel dispute resolution system, transforming itself into a commercial powerhouse that connects with over 2.1 million Chinese enterprises and maintains trade links with more than 230 countries and regions.

Xingcheng in Liaoning Province, starting from family workshops, has evolved through full-chain digitalization covering design, production, and marketing. By leveraging cross-border e-commerce platforms such as Amazon and Shein, Xingcheng has successfully brought its colorful swimwear to global customers, transforming a small northeastern city into an international hub for the industry. In 2024, the regional brand value of Xingcheng Swimwear reached RMB 9.699 billion, an increase of RMB 1.042 billion over 2023, with products exported to over 140 countries and regions.

Under the guidance of New Era County Economics, reform and opening-up, alongside technological innovation, are identified as the principal drivers of county-level economic development. As the level of openness continues to rise, Chinese counties are accelerating their integration into the global economic landscape. Counties should actively participate in the Belt and Road Initiative, expanding access to international markets and resource channels to enhance their global competitiveness and influence. Moreover, they should proactively attract foreign investment and enterprises, introducing advanced technologies and management expertise to enhance their innovation capacity and elevate their development level.

3.7 Culture – Tourism Integration Model

Against the broader backdrop of urban – rural integration, the development of the county-level cultural tourism economy holds immense potential. Many counties have embraced a dual approach of "shaping tourism through culture and highlighting culture through tourism," cultivating immersive experiences and incubating cultural IPs to advance both culture-tourism integration and economic development.

Once synonymous with remoteness, coldness, and scarcity, Mohe in Heilongjiang Province, known as "China's Arctic", has undergone transformative change through development, comprehensive logging bans, and ecological restoration. Today, cultural tourism has emerged as a pillar of local economic development. Its unique offerings, such as "Finding the North" tours and "Northern Flavors" experiences, draw visitors nationwide, propelling the once-obscure border city into a bustling tourist hub. In 2024, by leveraging resources including heavy snowfall, expansive forests, and border rivers, Mohe recorded 3.584 million tourist arrivals and generated RMB 3.31 billion in tourism reve-

nue, reflecting year-on-year increases of 81% and 84.9%, respectively.

In Guanghan, Sichuan Province, the tourism industry has emerged as a "star" sector and stepped onto the 10-billion-yuan development track. The "Sanxingdui+" initiative has catalyzed all-for-one regional tourism, with the Sanxingdui Museum attracting a record of 5.8 million visitors in 2024. Complementary tourism products, such as waterfront leisure tours at Yijiahe Dam, hotpot tours, and agritourism amidst vast flower fields, have injected fresh vitality into the cultural tourism sector. Guanghan has been listed among the top 100 counties for comprehensive tourism strength in China for three consecutive years.

The development of the county-level cultural tourism industry holds immense potential for fostering new consumption scenarios, stimulating rural economies, and advancing new urbanization, thereby creating industries that enrich local people. New Era County Economics emphasizes that counties should anchor themselves in the local context, creatively transforming and innovatively developing fine traditional culture and distinctive tourism resources. By promoting the two-way flow of factors among regions and between urban and rural areas, counties can achieve great success in cultural tourism within small county-level regions.

3.8 Regional Coordination Model

Many counties and cities have prioritized integration into broader regional development strategies, actively attracting external industrial transfers. By pursuing differentiated and complementary development, they aim to resolve gradient imbalances, fostering coordinated progress between large urban clusters undergoing "cage clearing for new birds" (industrial upgrading) and county economies engaging in "nest building to attract phoenixes" (accommodating transferred industries).

Xinfeng County in Jiangxi Province has actively integrated into the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), seizing opportunities for industrial gradient transfers. By implementing a proactive "door-knocking investment promotion" strategy, Xinfeng established a team for inviting the investment of listed companies and 20 specialized investment promotion task forces, focusing on the leading electronic information industry. Since 2021, Xinfeng has attracted 20 listed enterprises, with 9 of them coming from the Greater Bay Area. Companies from the Greater Bay Area constitute 60% of the businesses within the Xinfeng High-tech Zone.

Zhouzhi County in Xi'an, Shaanxi Province, has partnered with the Xi'an High-Tech Industrial Development Zone to co-develop the High-Tech Jixian Park, a provincial-level key industrial park, focusing on industries such as biomedicine, intelligent manufacturing, and high-tech innovation. Additionally, the Western Intelligent Equipment Industrial Park emphasizes intelligent manufacturing, high-end equipment, environmental protection equipment, and new energy vehicle components, creating an industrial concentration zone featuring industry-city integration. This model enables a

complementary model of "Manufactured in Xi'an, Supported by Zhouzhi."

Promoting regional coordinated development is a critical pathway to addressing the uneven and insufficient development of county economies, as well as an inherent requirement for advancing high-quality development and achieving common prosperity. New Era County Economics emphasizes that county-level economic development should leverage the combined effects of regional coordinated development strategies, major regional strategies, and functional zoning strategies to foster new growth poles. Counties should leverage local strengths, pursue tailored development, and deepen industrial collaboration across eastern, central, western, and northeastern regions to facilitate an orderly gradient transfer of industries.

3.9 Resource Endowment – Driven Model

For an extended period, inadequate utilization of distinctive resources and limited capabilities in the deep processing of specialty products have hindered the formation of distinctive industries in many counties. This has resulted in a lack of prominent brand advantages and widespread industrial homogenization. However, many counties have leveraged their resource endowments to develop industries with local features, thereby strengthening the foundation of their economies and exemplifying the developmental wisdom of New Era County Economics, featuring differentiated measures tailored to local conditions.

Shenmu in Shaanxi Province was once mired in a simplistic model of "digging coal" and "selling coal," with its economic lifeline tethered to the volatility of coal prices. Today, Shenmu has constructed a series of large-scale modern coal mines, fundamentally overturning entrenched stereotypes of the coal industry as "high-risk," "high-pollution," and "low-tech." This transformation marks a paradigm shift from "exploiting the mountain for sustenance" to "nurturing the mountain for prosperity."

Situated at the heart of the Dongting Lake water system, Yuanjiang in Hunan Province possesses natural geographic advantages for developing the shipbuilding industry, as its waterways permit vessels of up to 10,000 tons to navigate from inland routes to the open sea. In 2024, the city's shipbuilding industry recorded a total output of RMB 12.5 billion, accounting for over 80% of Hunan Province's total output in this sector. Through initiatives such as "industry multiplication" and "industry cultivation," Yuanjiang has significantly expanded the scale and strength of its economy.

Industries with local features serve as the lifeblood of county economies, as features beget market access, advantages, and competitiveness. New Era County Economics emphasizes the importance of leveraging unique resource endowments, including natural resources, labor, capital, technologies, cultural heritage, and local customs, to target niche industrial segments. By fostering leading and distinctive industries, counties can deliver specialty products to the market, thereby consolidating and amplifying the distinctiveness and scale of their economies.

3.10 East – West Collaboration Model

Since the 18th National Congress of the CPC, the Party Central Committee, with Xi Jinping at its core, has conducted top-level planning and vigorously promoted East-West collaboration and paired assistance with an unprecedented scale, scope, and level of demand. Data shows that, as of the end of October 2024, eight eastern provinces and municipalities have provided RMB 22.89 billion in financial assistance to ten western provinces and autonomous regions. The collaborating parties have exchanged 2,979 Party and government officials and 24,000 professional personnel, guided enterprises to invest RMB 140.9 billion, procured and assisted in selling agricultural and sideline products worth RMB 112.9 billion, and helped 815,000 rural laborers secure employment. This has undoubtedly injected new vitality into the economic development of the less developed counties in central and western regions.

The institutional cooperation between eastern, central, and western counties is revitalizing cross-regional factor flows, composing a vivid chapter of Chinese modernization encapsulated by the adage, "when small rivers flow, the great river is full."

For instance, the collaboration between Fujian and Ningxia has transformed the Gobi Desert, located at the eastern foot of the Helan Mountains, into a golden belt for grape cultivation. Fujian enterprises have introduced drip irrigation technology and winery management models, while Yongning County in Ningxia has leveraged land transfer policies and abundant sunlight resources to jointly establish a new landmark for the "purple industry." This partnership has transformed Yongning -- it now has a viticulture area spanning 125,000 mu, 20 operational wineries, an annual wine processing capacity of 90,400 tons, and nearly 10,000 local jobs created in the surrounding areas.

Another successful case is the paired assistance provided by Yinzhou District of Ningbo City, Zhejiang Province, to Yanyuan County, Liangshan Yi Autonomous Prefecture, Sichuan Province. Leveraging Yanyuan's advantages in high-altitude apple cultivation, Yinzhou introduced cold chain logistics technology and e-commerce platforms to build the landmark brand "Yanyuan Apple." Each year, this program supports the income growth of approximately 100,000 apple industry workers in the county.

Leveraging the CPC's exceptional organizational strengths, East-West collaboration and paired assistance programs have been efficiently implemented and steadily advanced. These initiatives not only foster the high-quality development of county economies in Central and Western China but also provide robust support for Eastern regions to develop new quality productive forces, laying a solid material foundation for common prosperity. New Era County Economics emphasizes the optimal utilization of institutional advantages to achieve precise complementarity of regional strengths and the most effective allocation of resources, thereby promoting the high-quality development of county economies and realizing the goal of common prosperity.

Chapter Four: Distinctive Features of New Era County Economics

Vivid and dynamic examples of county-level economic development demonstrate that New Era County Economics has transcended traditional development paradigms, showcasing five distinctive characteristics: a shared mechanism that unifies county strengthening with enriching the people; institutional innovation that integrates reform with development; spatial restructuring that connects urban and rural areas; dual empowerment that fuses cultural vitality with economic growth; and a worst-case scenario mindset that coordinates development with security.

These theoretical innovations have collectively shaped a multidimensional development system that encompasses urban – rural integration, industry – city interaction, and cultural – economic mutual enhancement. The resulting county modernization framework is both replicable and scalable, offering a "China Solution" to addressing the challenges faced by developing countries worldwide, namely, urban – rural imbalance and income disparity.

4.1 Strengthening the Counties while Enriching the People

In March 2014, while making an inspection trip to Henan Province, General Secretary Xi Jinping called for unifying the work of strengthening the economy of counties and enriching the people, integrating reform and development, and connecting urban and rural areas.[①] The concept of unifying the work of strengthening the economy of counties and enriching the people fully embodies the people-centered values of Chinese modernization. Traditional development economics often views economic growth and income distribution as a binary opposition of "efficiency versus fairness," but the unification of strengthening the economy of counties and enriching the people breaks this mindset. It emphasizes the dialectical relationship where the two are mutually conditional and reinforcing.

Ensuring that the overwhelming majority of the people share in the fruits of reform and development represents the core objective of General Secretary Xi Jinping's important remarks on county economics and urban – rural integration. Xi once said, "The problems of unbalanced and insufficient development in China remain prominent. Significant disparities persist in regional development and income distribution between urban and rural areas. Promoting common prosperity for all is a long-term endeavor. Yet

① *"Xi Jinping, during his inspection and guidance tour in Lankao County on the Party's mass line education and practice activities, emphasizes vigorously studying and promoting the spirit of Jiao Yulu and continuing to achieve solid progress in the education and practice activities," Xinhua News Agency, March 18, 2014.*

as China has completed building a moderately prosperous society in all respects and embarks on a new journey toward building a modern socialist country, we must elevate the goal of common prosperity to a more prominent position, advance it with steady resolve, and pursue it with sustained and proactive effort."[①] He further noted, "Achieving coordinated development between urban and rural areas is not only a requirement for a balanced spatial layout, but also an essential pathway to realizing common prosperity."[②]

County industries that enrich local people represent a vital industrial carrier for advancing urban–rural integration, with common prosperity as their underlying value orientation. General Secretary Xi Jinping has repeatedly emphasized the need to "seek benefits from the integrated development of primary, secondary, and tertiary industries, strengthen leading enterprises, complement industrial chains, foster new business forms, and establish brands. This will upgrade rural industries across the entire value chain and enhance their market competitiveness and sustainable development capabilities."[③] He also emphasized that "integrating rural primary, secondary, and tertiary industries isn't merely about connecting agricultural production with manufacturing and services. What truly matters is establishing effective benefit-sharing mechanisms so that prosperity reaches farmers, not just business owners."[④]

The Third Plenary Session of the 20th CPC Central Committee further stated, "We will work to expand county industries that enrich local people, build a diversified food supply system, and foster new industries and new forms of business in rural areas."

The development of county economies in the New Era facilitates a shift in China's economic growth drivers by reshaping urban–rural structures. By fostering county industries that enrich local people and strengthening ecological protection, the initiative aims to stimulate endogenous development momentum among rural low-income populations. This approach supports the consolidation and expansion of poverty alleviation achievements, promotes common prosperity among urban and rural residents, and fulfills the people's aspirations for a better life.

On one hand, counties leverage their resource endowments and locational advantages to develop distinctive industries tailored to local conditions, proactively integrating into higher-tier urban industrial circles and reinforcing the division of labor and industrial integration. On the other hand, by improving benefit-sharing mechanisms and fairly distributing industrial value-added gains, the strategy enhances income growth via industrial development, organically unifying the goals of strengthening counties and enriching

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① "The State is the People, the People are the State—A Summary of General Secretary Xi Jinping's Important Statements on Putting the People First," People's Daily, June 21, 2021.

② Excerpts from Xi Jinping's Statements on the Work of "Agriculture, Rural Areas, and Rural People," compiled by the Institute of Party History and Literature of the Central Committee of the Communist Party of China, Central Literature Publishing House, April 2019, p. 29.

③ "Xi Jinping, at the Central Rural Work Conference, emphasizes anchoring the goal of building a strong agricultural nation and earnestly advancing agricultural and rural work," Xinhua News Agency, December 24, 2022.

④ "Following the Path of Socialist Rural Revitalization with Chinese Characteristics (December 28, 2017)," in On Persisting in Comprehensively Deepening Reform, Central Literature Publishing House, 2018, pp. 402-403.

the people.

4.2 Integrating Reform with Development

A defining feature of New Era County Economics lies in its dual-driven development path — removing developmental obstacles through deepened reform, and evaluating reform effectiveness through tangible development outcomes. The integration of reform with development is, in essence, a process of reshaping county-level production relations through institutional innovation, thereby liberating and advancing productive forces. The development of county economies in the New Era remains firmly anchored in enhancing development quality and efficiency, as well as improving people's livelihoods, making reform a real "accelerator" of high-quality economic development.

Reform and opening up have been pivotal in shaping China's destiny, serving as the main theme and keynote of Chinese society since the Third Plenary Session of the 11th CPC Central Committee in 1978. At the county level, reform is likewise an inevitable trend. General Secretary Xi Jinping has emphasized the need to harness reform as a driving force to dismantle the urban-rural dual structure, and to promote the equalization of basic public services, the connectivity of infrastructure, the balance of resident income distribution, the rational allocation of resources, and the integration of industrial development across urban and rural areas.①

To advance urban-rural integration, it is imperative to eliminate systemic and institutional barriers, redirect more public resources toward rural areas, and improve mechanisms and policy frameworks that facilitate the bidirectional and free flow of key factors, including people, land, capital, and technology, between urban and rural areas. This includes promoting universal access to basic public services, integrated infrastructure development, diversified rural economic development, and sustained income growth for farmers, thereby narrowing the development and income gaps between urban and rural areas.②

Reform is an inherently complex and innovative undertaking. Given the absence of ready-made models and limited experience, encountering problems is entirely natural. General Secretary Xi Jinping has stated, "It is permissible to have errors in reform, but it is not permissible to avoid reform altogether."③ In this regard, county-level reform must safeguard the enthusiasm of reformers. County Party committees, governments, and leading officials at all levels should act as "umbrellas" for those who dare to reform.

Tolerance for reform-related mistakes is essential. "Reform is a complex endeavor,

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① *"During his inspection tour in Guizhou, Xi Jinping emphasizes understanding the situation, adapting to trends, leveraging advantages, skillfully applying dialectical thinking to plan development, and promoting integrated urban-rural development," Xinhua News Agency, June 18, 2015.*

② *"Promoting Integrated Urban-Rural Development to Foster Common Prosperity of Urban and Rural Areas (Deeply Studying and Thoroughly Implementing Xi Jinping's Thought on Economy)," People's Daily, September 25, 2024.*

③ *"Writing a New Chapter of Reform in the New Era—Insights into the Comprehensive Deepening of Reform by the CPC Central Committee with Xi Jinping at Its Core," Xinhua News Agency, February 21, 2018.*

and mistakes are inevitable. For those who are genuinely committed to reform and who act from a broader perspective to develop productive forces and create national wealth, even if some problems or errors occur, they are errors in the process of advancement and should be forgiven. This is fundamentally different from making mistakes under the banner of reform, engaging in crooked practices, harming public interests for personal gain, and indulging in misconduct."[①]

At the same time, he also emphasized the importance of being clear-minded reformers — to clarify the purpose and objectives of reform, conduct thorough research and investigation, study more, stay informed about reform experiences in other regions, and take bold yet steady steps in pushing forward reform.[②] A sound piloting approach should be adopted, which features starting with specific areas before expanding to more, addressing individual issues before moving to comprehensive ones, and proceeding from parts to the whole. Successful experiences should be rapidly replicated, and any deviations should be promptly corrected to sustain the momentum of reform and expand its achievements.

In recent years, many regions across China have actively advanced reform and innovation, particularly in decentralization and empowerment. Counties and county-level cities have been delegated greater authority over economic and social governance. For example, since 2020, Henan Province has designated three batches of county-level governance demonstration counties (cities). These jurisdictions have received preferential support in areas such as expanded authority and delegation of power, environmental capacity, land quotas, energy-saving targets, and project planning. Over 100 provincial-level administrative powers have been delegated to these demonstration counties (cities), helping to dismantle deep-rooted institutional barriers in county governance and continuously enhance the dynamism and vitality of development at the county level.

4.3 Connecting Urban and Rural Areas

County economies constitute a vital subsystem and regional economic network within the national economy. They encompass not only county-seat economies but also township and village economies across multiple tiers. Structurally, they are a regional economic system centered on county seats, linked by townships, and grounded in expansive rural areas.

Growth pole theory, a cornerstone of regional economics, was initially conceived by French economist François Perroux. He posited that economic growth does not occur uniformly across all areas but rather emerges with varying intensity from certain "growth poles." These poles form when dominant sectors, or innovative firms and industries, cluster within specific regions, creating a dynamic interplay of attractive and repulsive forces. Growth then diffuses outwards from these points through various chan-

① Xi Jinping, Profound Understanding, Heartfelt Devotion, Hebei People's Publishing House, 2015, p. 193.
② Xi Jinping, Profound Understanding, Heartfelt Devotion, Hebei People's Publishing House, 2015, pp. 169-171.

nels, ultimately influencing the entire economy.

Later, another French economist, Jacques Boudeville, further developed Perroux's theory, emphasizing the spatial characteristics of growth poles. Boudeville argued that economic space represents the application of economic variables within or upon geographical space. He identified growth poles within urban centers that possessed a complex of propulsive industries.

From this, it can be seen that the growth pole has two dimensions: the industrial growth pole, which consists of certain propulsive industrial sectors in economic space, and the geographical growth pole, which promotes economic development through the aggregation of towns.

Building upon this theoretical foundation, New Era County Economics emphasizes the connection between urban and rural areas. It introduces a dual-track development paradigm — industrial and agricultural, urban and rural — where towns and villages are treated as an organically connected whole, both geographically and economically. This approach aims to comprehensively advance rural revitalization and county-level economic development. As General Secretary Xi Jinping has emphasized it is necessary to make plans for industrial and agricultural growth, as well as urban and rural development as a whole, and promote the integration and common development of urban and rural areas in planning layout, resource allocation, industrial development, public services, and ecological protection To promote urban-rural integration, cities must enhance their capacity to support and lead rural development. Strategic alignment between new urbanization and rural revitalization must be achieved through unified planning and coordinated implementation — drawing a single blueprint and playing a coordinated game — to steadily realize high-level urban-rural integration and address development imbalances and disparities.

During the annual sessions of the National People's Congress and the National Committee of the Chinese People's Political Consultative Conference (CPPCC) in 2020, Xi Jinping said, "Many previously remote and impoverished areas have now become scenic wonderlands, with infrastructure such as transportation playing a crucial role."[①] The Central Urban Work Conference held in July 2025 emphasized the need to "advance urbanization with a focus on county towns in a categorized approach, continued to grant permanent urban residency to eligible rural residents who have moved to urban areas, promote the coordinated development of cities of different sizes and small towns, and promote the integrated development of urban and rural areas" This vividly highlights the importance of activating rural resources and promoting two-way integration between urban and rural areas in county-level economic development. In recent years, many regions across the country have explored pathways to transform the value of rural ecological resources by organically integrating elements, such as forests and

① *"Heart to Heart between the Leader and the People: A Documentary Record of the Implementation of Proposals and Suggestions from NPC Deputies and CPPCC Members During General Secretary Xi Jinping's Attendance at Group Discussions at the Two Sessions Over the Past Five Years," Xinhua News Agency, February 27, 2023.*

farmland, thereby turning rural areas into scenic spots and farmlands into parks. At the same time, the construction of rural information service platforms has improved the efficiency of allocating rural production factors, effectively enhancing the attractiveness, competitiveness, and endogenous momentum of rural areas.

On February 3, 2024, the Central Committee of the CPC and the State Council issued the Opinions on Effectively Advancing Comprehensive Rural Revitalization by Learning from the Experience of the "Green Rural Revival Program." The document underscores the imperative of promoting urban-rural integration at the county level. To encourage more rural migrants to urbanize locally, government work reports from multiple provinces have proposed selecting a number of county towns to initiate actions to shore up weak links in the infrastructure and public service facilities within residential communities and urban blocks. These initiatives aim to extend county-level infrastructure and public services into surrounding townships and villages, enhancing the capacity of county towns to drive rural development.

4.4 Fusing Cultural Vitality with Economic Growth

Counties are characterized by close urban-rural linkages, moderate geographic scope, and strong cultural homogeneity. New Era County Economics emphasizes transforming cultural resources into developmental momentum — revitalizing traditional cultural veins, innovating cultural business forms, and building integrated urban-rural communities. This approach provides a distinct cultural fulcrum and developmental pathway for Chinese modernization.

Counties are basic units of Chinese civilization. The exploration and transformation of their cultural genes are becoming a key driver of differentiated economic development across China's counties. General Secretary Xi Jinping has emphasized that folk customs, village regulations, and local conventions embody profound and excellent traditional cultural genes. Numerous elements of rural culture serve not only as vital carriers of national memory and regional cultural identity, but also as unique endowments for industrial development and innovation in cultural tourism.[①]

For example, Songyang County in Zhejiang Province, by preserving over a hundred traditional villages, has successfully created the cultural tourism IP known as "The Last Secret Realm of Jiangnan." Wuyi Mountain in Fujian Province, drawing on its tea culture and Danxia landforms, has developed integrated tea-tourism and educational experiences themed around its landscapes, Wuyi rock tea, and Zhu Xi's Neo-Confucianism. Meanwhile, Rongjiang County in Guizhou Province has invigorated local vitality through its village super league football tournaments, which not only boosted local consumption but also gained widespread international attention via overseas social media

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① *"Composing a New Magnificent Chapter in Agricultural and Rural Reform and Development: A Summary of General Secretary Xi Jinping's Important Statements on the Work on Agriculture, Rural Areas and Rural People," People's Daily, September 23, 2021.*

platforms.

For a nation to achieve rejuvenation, its rural areas must be revitalized, with the love of hometown serving as the soul. In 2013, General Secretary Xi Jinping stated at the Central Urbanization Work Conference that "cities should be integrated into nature, allowing residents to be close to mountains and waters, and retain the love of their hometown." This reflects not only an intrinsic cultural and spiritual aspiration, but also a strategic response to the rising demand for "counter-urbanization," which redefines the value of rural areas. It enables counties to absorb industrial transfers from large and medium-sized cities, promotes cross-regional industrial integration and factor exchange, and simultaneously drives the integrated development of rural industries, thereby shaping a new pattern of integrated urban-rural development. In recent years, as Anhui's new energy vehicle (NEV) industry has expanded in scale and strength, it has also catalyzed the development of component industries based in counties, including steel, tires, glass, and electronics, thereby contributing to the advancement of rural revitalization.

Integrating ecological governance with the development of industries with local features enables rural areas to preserve their idyllic landscapes, while transforming lucid waters and lush mountains into invaluable assets. Through systematic governance of mountains, rivers, forests, farmland, lakes, grasslands, and deserts, forests are becoming "reservoirs, treasuries, granaries, and carbon sinks." Increasingly, counties are tapping into their unique local resources — such as forests, grasslands, lakes, soil, and flowers — by combining cultural tourism with ecological preservation, striking a balance between protection and development.

Wuyuan County in Jiangxi Province, with a forest coverage rate of 83.67%, has developed county-wide tourism products and established distinctive models such as the "flower sea economy" and "birdwatching economy." China's county-level development has broken away from the Western approach of "polluting first, clearing up later," offering a sustainable path forward for future generations and humanity at large. This represents a significant contribution from China to global development.

4.5 Coordinating Development with Security

In 1990, Xi Jinping wrote in an essay titled Random Thoughts on Governance, "If the nation is likened to a net, then the over three thousand counties across the country are like the knots on this net. Should these knots loosen, the nation's political situation would experience turbulence; if these knots are firm, the nation's political situation will be stable."

As the basic units of the national economy, counties undertake a strategic pivotal function of connection. Their development is not solely about pursuing enhanced economic quality and efficiency. Counties must also safeguard multiple fundamental baselines, including food security, ecological security, and the prevention of large-scale relapse into poverty. This comprehensive approach aims to achieve an interplay between

high-quality development and high-level security.

General Secretary Xi Jinping has consistently placed great emphasis on the protection and utilization of arable land and the safeguarding of grain production. During domestic inspection tours, he often learns about in detail what impoverished households have eaten for everyday meals. In field research, he walks into the fields to observe crop growth and listen to farmers' concerns. He has stressed, "We must not take chances or engage in reckless experimentation when it comes to grain issues." He has also warned, "If our staple food supply relies on imports, we will be led wherever we are taken."

In July 2020, General Secretary Xi Jinping visited a key corn production base in Lishu County, Siping City, Jilin Province, to investigate the paramount issue of grain production. He specifically called for effective measures to genuinely protect and utilize the precious and fertile black soil, so that it may benefit the people.[①]

Under the strong leadership of the Party Central Committee, with Xi Jinping at its core, various regions and departments across China, particularly county governments, have rigorously performed their responsibilities for protecting arable land and ensuring food security. As a result of these concerted efforts, China's total grain output in 2024 reached 706.5 billion kilograms, marking a 1.6% year-on-year increase. This achievement represents a significant milestone, as it is the first time the output has exceeded 700 billion kilograms, building upon nine consecutive years of stable production above 650 billion kilograms. This further solidifies the foundation of national food security and makes a positive contribution to stabilizing the global food market, thereby safeguarding global food security.

Coordinating development with security presents a significant test of county governance capacity. The core of this challenge lies in embedding a "security gene" within the very fabric of development. Food security, for instance, is not an isolated issue. It requires deep integration of industrial upgrading and increasing farmer incomes. Similarly, ecological security demands a shift from "passive defense" to "proactive value creation." This involves institutional innovation to unlock the potential of ecological resources and technological empowerment to enhance the effectiveness of environmental governance.

For the prevention of poverty relapse, it's crucial to combine preemptive preventive measures with post-event assistance. This entails enhancing the equalization of public services between urban and rural areas, promoting a balance of boosting aspirations and building capacity, facilitating the integration of urban and rural areas, and integrating poverty prevention with broader governance efforts. This approach enhances the efficacy of governance mechanisms for monitoring and assistance.

Only by applying systematic thinking, leveraging institutional innovation to stimu-

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① "During his inspection tour in Jilin, Xi Jinping emphasizes adhering to the new development philosophy and deeply implementing the Northeast Revitalization Strategy to accelerate the comprehensive and all-around revitalization of Jilin in the New Era," Xinhua News Agency, July 24, 2020.

late diverse co-governance, and embracing technological revolution to drive qualitative and efficiency transformations can a dynamic equilibrium between security and development be achieved. This will enable counties to transition from "passively defending baselines" to "proactively fostering security," thereby solidifying the foundations for Chinese modernization.

Chapter Five: Profound Insights of New Era County Economics

Grounded in the long-standing historical legacy of Chinese county governance and breaking free from conventional development economics, New Era County Economics provides insightful and forward-looking perspectives that effectively guide the dynamic practice of Chinese county-level modernization with remarkable success. Within the counties, the most vibrant unit of governance, the theoretical exploration and practical application of this new theory not only highlight the unique characteristics of China's county governance but also crystallize an innovative paradigm of global relevance in shaping a new form of human advancement.

5.1 Putting People First

China has a population of over 1.4 billion, with more than 900 million residing in urban areas and nearly 500 million in rural areas. Placing human development at the core to achieve a virtuous cycle of economic progress and social governance is the essence and underlying logic of New Era County Economics' "people-first" principle. General Secretary Xi Jinping has emphasized, "We must strive to build a new pattern of integrated urban-rural development," "adapt to population migration trends, promote urban-rural integration, and advance the integration of industries, infrastructure, and public services," and "leverage the role of counties in connecting cities and driving rural development to take the lead in achieving urban-rural integration within counties."

Regarding the integration of industry, city, and people, Jinjiang in Fujian Province serves as a quintessential example. At the initial stage of reform and opening-up, Jinjiang had virtually no industrial base. Its economic output was small, and both its fiscal revenue and per capita income were below the national and provincial averages, earning it the moniker "high-yield poor county."

Jinjiang's journey began with leveraging "three idle resources" (idle capital, labor, and housing), progressing from family workshops to township factories. The secret to Jinjiang's success lies in harnessing human potential, particularly through a dynamic entrepreneurial workforce driven by the spirit of struggle and perseverance, which maximizes people's initiative, enthusiasm, and creativity.

People are the driving force of development, and the principle of "putting people first" serves as its value compass. The experience of counties like Jinjiang underscores the philosophy that "industry is the primary pillar, the city is the primary platform, and people are the primary element." By adhering to the approach of "using industry to attract people and build the city, and using the city to retain people and promote industry,

" Jinjiang has vigorously advanced the integration of industry, city, and people. In 2002, Xi Jinping, in summarizing the "Jinjiang Experience," foresaw the need for Jinjiang to explore and create new models for coordinated development, particularly in fostering mutual reinforcement between industrialization and urbanization. Under the premise of balancing "efficiency and fairness," some counties in China are gradually overcoming the issue of urbanization lagging behind industrial development. They are integrating new industrialization, new urbanization, and rural revitalization to achieve "the same quality of life in rural and urban areas, but with different life experiences."

Coordinating industrial upgrading, population aggregation, and urban development is critical to advancing people-centered new urbanization. It is also an inevitable choice for achieving high-quality development within the framework of New Era County Economics.

As early as 2013, General Secretary Xi Jinping emphasized at the Central Urbanization Work Conference that "people must be the core" of urbanization. He underscored the imperative to "advance urbanization that is centered on people, enhance the overall quality of the urban population and the standard of living of urban residents, and prioritize the orderly transformation of permanent residents with stable employment in cities into full urban citizens." He further articulated a strategic vision for spatial optimization: "We must rationalize urbanization layout in accordance with the capacity of resources and the environment, structure a scientifically sound macro urbanization layout, and develop city clusters as the principal form. We should promote rational division of labor, functional complementarity, and coordinated development among large, medium, and small cities, as well as small towns." He also highlighted the ecological dimension, saying "We must uphold ecological civilization, vigorously promote green, circular, and low-carbon development, and minimize disruption and damage to nature. Land, water, and energy resources should be used in a frugal and intensive manner." Additionally, cultural continuity was accentuated. "We must inherit cultural traditions and foster beautiful towns imbued with memory of history, regional features, and ethnic characteristics."

The Resolution of the Third Plenary Session of the 20th Central Committee of the CPC further proposed to "put in place mechanisms to foster positive interactions between the processes of industrial upgrading, population concentration, and urban development," providing scientific guidance for the deeper integration of industry, city, and people.

5.2 Pluralistic Collaboration

Since entering the New Era of socialism with Chinese characteristics, China has comprehensively advanced reforms and innovations in governance. As General Secretary Xi Jinping has emphasized, "The key lies in further developing an environment for fair competition, further invigorating economic and social growth, further enhancing the ef-

ficiency of the government, further achieving social equality and justice, further promoting social harmony and stability, and further improving the Party's leadership and governance." These requirements for governance reform, as articulated by Xi, have sparked innovative thinking among the Party, the state, the market, and society. This has led to the establishment of a multi-dimensional synergistic system characterized by "a strong political party steering the course, a capable government navigating and safeguarding, an effective market nurturing competitions vigorously, and an organic society engaging in collaborative governance."

The leadership of the CPC is the defining feature of socialism with Chinese characteristics. The Party plays a pivotal role in "exercising overall leadership and coordinating work in all areas."

For instance, Xupu County in Hunan Province has leveraged Party building to guide its industrial layout, proposing a spatial plan known as "one zone, two parks, and two bases." This initiative effectively translates the Party's political strengths into institutional efficacy for county-level development. Similarly, Zhejiang's pilot program for "allocating resources for high-quality county development" has delegated 138 provincial-level approval authorities to counties, exemplifying the Party's leading role in institutional innovation.

Under the leadership of the CPC, county governments actively contribute as a significant driving force for Chinese modernization at the county level. Government actions play a crucial role in fostering enterprise development and guiding industrial growth. As highlighted by the World Bank in its report The State in a Changing World, "The state has enormous sway over a country's economic and social development and whether that development is sustainable. The state's potential to leverage, promote, and mediate change in pursuit of collective ends is unmatched. Where this capacity has been used well, economies have flourished." A county's business environment hinges on government performance, with effective governance breaking down market barriers and reducing transaction costs. By addressing pain points and bottlenecks in industrial development, providing tailored policy support, and resolving growth constraints, counties can unleash the full potential of production factors, driving high-quality development.

The industry serves as the foundation of county-level economic development. The selection of industries must adhere to market principles and align with the endowment structure, tapping into latent comparative advantages to achieve market competitiveness. Insufficient infrastructure and incompatible institutional mechanisms can hinder the effective functioning of market mechanisms, necessitating proactive government intervention to address these issues by establishing institutional support that aligns with an effective market.

The high-quality development of county economies ultimately hinges on the deep engagement of social actors. As the "soft infrastructure" for county economic development, an organic society facilitates the profound integration of social capital and economic capital through pathways such as organizational restructuring, cultural empower-

ment, and ecological transformation. For instance, Zhejiang's "Green Rural Revival Program" leverages self-governance structures like villagers' assemblies and councils of local elites to collaboratively advance environmental improvements and industrial planning, thereby providing robust institutional safeguards and favorable conditions for economic progress.

5.3 Tailoring Development to Local Conditions

China's vast expanse and rich resources give rise to diverse customs across regions, where "a thousand miles yield different traditions, and a hundred miles yield distinct practices." New Era County Economics emphasizes tailoring county governance to local conditions, accommodating varied regional endowments and development pathways to foster sustainable and context-specific economic progress.

The "Jinjiang Experience," summarized by Xi Jinping, emphasizes "leveraging local advantages and selecting the most suitable methods to accelerate economic development. " The Guidelines for Advancing Urbanization with a Focus on County Towns explicitly call for "actively nurturing county towns with specialized functions, supporting county towns with resource or transportation advantages to develop distinctive economies and pillar industries, and strengthening industrial platform support." By aligning development with local resources and geographic features, counties explore diverse pathways, offering methodological insights for late- developing regions globally to overcome the "middle-income trap."

The essence of diversified production relations lies in breaking free from the constraints of singular growth logic. The "capital-technology" model dominant in Western industrialization often relegates county economies to low-end roles in urban-centric industrial chains. By contrast, Chinese counties adopt clustering and differentiation strategies, reorganizing local elements to create new quality productive forces and transforming local cultural heritage and ecological resources into robust economic momentum.

There is no one-size-fits-all or immutable development blueprint. Each county must formulate its development policies based on its unique needs and resource endowments. Chinese counties are taking their resource endowments as the starting point to craft a differentiated development map characterized by "one county, one industry; one region, one specialty product." This approach addresses the challenges of "big city syndrome" through practical measures, activating resource potential through policy guidance, reshaping industrial structures through technological innovation, and redefining development perspectives through ecological ethics. By doing so, every piece of land can find its unique position within the framework of high-quality development.

5.4 Innovation in Development

While New Era County Economics offers valuable insights and lessons for develop-

ing countries to reconcile the urban-rural dual structure and achieve sustainable development, the theoretical framework itself is undergoing continuous evolution and innovation.

Many developing countries are pursuing urbanization centered on megacities, such as Mumbai, São Paulo, and Mexico City, which have become hubs of population and economic activity due to policy biases, geographic advantages, or historical accumulation. Renowned development economist Albert Hirschman's "polarization- trickle-down effect" theory posits that a polarization effect exists between economically developed and underdeveloped regions. As developed areas grow, resources and factors of production flow from underdeveloped regions to these economic centers, weakening the economic capacity of the latter and exacerbating their developmental challenges. Consequently, this polarization model often leads to urban issues such as slum expansion, environmental pollution, and inadequate public services, commonly referred to as "urban diseases."

The development of the Chinese county economies demonstrates that counties are not merely peripheral units passively receiving spillover from central cities. By activating endogenous dynamism, restructuring factor allocation, and tapping the potential of local endowments, counties can overcome the dual constraints of geographic and economic hierarchies, transitioning from "passive recipients" to "active engines" of growth. By harnessing endogenous dynamism, counties can, like central cities, foster independent growth poles. This transformation is not limited to economic expansion but is also reflected in the creation of distinctive industrial chains, robust factor market systems, and optimized resource allocation, thereby forming a complete economic ecosystem.

Counties are no longer mere "appendages" of urban clusters but foundational economic units with autonomous value-creation and self-sustaining capabilities. Their development trajectory has shifted from "dependent integration" to "independent construction," marking a transition in regional economic patterns from "peripheral followership" to "multipolar coexistence." This model offers developing countries in Latin America, Africa, and beyond, grappling with urban-rural dualism, a valuable experience of "non-exploitative urbanization."

The vibrant practice of New Era County Economics vividly demonstrates the sustainable development value encapsulated in the principle that "lucid waters and lush mountains are invaluable assets." In Zhejiang's Lishui City, verdant mountains have been transformed into ecological products worth over RMB 500 billion, enabling farmers to achieve a decade of continuous income growth just by preserving bamboo forests. Along the coastline of Jiangsu's Rudong County, wind turbines coexist harmoniously with migratory birds, creating a symphony of "green energy production, ecological restoration, and improved livelihoods." China's counties have pioneered innovations in renewable energy, ecological compensation, and low-carbon agriculture, providing technical and managerial expertise to small and medium-sized towns globally to address climate change and achieve green transformation.

By coordinating ecological protection with economic growth, applying advanced green technologies, and establishing mechanisms to realize the value of ecological products, county economies can achieve harmony between ecological preservation, industrial upgrading, and shared prosperity from the early stages of economic growth.

Conclusion

Throughout the Chinese history, counties have remained the most stable and resilient administrative units. Within China's vast economic landscape, counties serve as critical connectors, bridging higher and lower levels of governance while laying the foundation for national development. In the New Era, the vibrant growth of county economies across China paints a vivid picture of the nation's governance achievements, serving as a vital pillar and dynamic force in Chinese modernization.

County economies serve as the linchpin for urban-rural integration. In his seminal work, Rural China, the renowned Chinese sociologist Fei Xiaotong defined China's grassroots society as inherently rural, characterized by village-based living and a lifelong attachment to the hometown. Counties embody the rich heritage of agrarian civilization while carrying profound nostalgic memories of rural life. Over the past few decades, China has undergone the largest and fastest urbanization process in world history, with the urbanization rate rising from 11% in 1949 to 67% in 2024.

According to population census data, from 2014 to 2024, the resident population of county towns and county-level cities grew by over 30%, with a notable trend of rural populations converging toward county towns, making them critical hubs for the localized urbanization of agricultural populations. While the country is transitioning from a "rural China" to an "urban China," General Secretary Xi Jinping has emphasized the need to take the lead in breaking the dual structure between urban and rural areas within counties, take the lead in achieving urban-rural integration within counties, and take the lead in advancing urbanization with a focus on county towns in a categorized approach. This approach is critical for addressing the "three rural issues" (agriculture, rural areas, and farmers) and strengthening economic ties between urban and rural areas.

County economies serve as the driving wheels of high-quality development. In recent years, county economies have experienced remarkable growth and garnered significant attention. The number of "hundred-billion-yuan counties" (counties with GDP exceeding RMB 100 billion) has grown, county industries have thrived vibrantly, consumer markets have surged with dynamism, and county tourism has gained widespread acclaim. The 2025 No. 1 Central Document dedicates an entire section to "vigorously strengthening county industries to enrich local people," outlining strategic measures such as fostering rural industries with local features, improving mechanisms to connect farmers with markets, and expanding channels for increasing farmers' incomes. By nurturing industries that enrich local people, unlocking consumer potential, and establishing mechanisms for shared prosperity, a range of forward-thinking policies is invigorating county industries, enhancing vitality, improving the quality of life, and enriching the people. These efforts propel the train of high-quality economic development forward at full speed, racing toward the new horizons of comprehensive revitalization and

shared prosperity.

County economies form the backbone of Chinese modernization. As Xi Jinping has stated, "We will never have all-round modernization without the modernization of agriculture and rural areas." The goal of strengthening county economies in the New Era is to harness the dual forces of an effective market and a proactive government, integrating new industrialization, new urbanization, and comprehensive rural revitalization to achieve the modernization of economic and social development at the county level. Amid the uncertainties in the global economy caused by excessive tariffs imposed by the U.S. government, the vast development potential and immense growth opportunities of China's county economies provide resilience and confidence for the ultimate realization of Chinese modernization.

New Era County Economics, grounded in fertile local soil and driven by intrinsic vitality, is charting a new path toward modernization that transcends the urban-rural divide, leading to common prosperity. This path, forged through Chinese practice, serves as a key to unlocking solutions for urban-rural integration. Moreover, it offers a Chinese model that balances efficiency and equity while blending tradition with innovation, contributing to a more balanced and sustainable development framework for countries in the Global South. The innovative development of China's county economies is weaving a radiant network linking cities and countryside, illuminating a new journey toward the harmonious coexistence and common prosperity of diverse human civilizations.

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