

Guest editorial of the special section on new structural economics and its applications in agricultural development

China is a large agrarian economy. Despite the rapid progress in industrialization and urbanization in the past 40 years, there are still a wide arrange of important and urgent issues and problems that must be addressed and solved in the agriculture sector and in the rural area of China. In fact, 85 percent of the world population lives in developing countries, where the agriculture sector remains to be large and agricultural development, food availability, industrialization and urbanization remain to be top challenges. How China manages to industrialize and upgrade its agricultural sector could be useful for all developing countries.

New Structural Economics (NSE) is proposed by Professor Justin Yifu Lin, Dean of the Institute of New Structural Economics at Peking University. NSE adopts neoclassical economic approach to analyze the determinants, dynamics, and implications of economic structures in economic development. NSE highlights not only structural differences for countries at different development stages but also structural changes within the same sector over time. Moreover, NSE advocates that both efficient markets and facilitating states are necessary for successful industrial upgrading and economic development.

How helpful is the approach of NSE for the research on agricultural economics? How do researchers incorporate structural changes into their analyses of agricultural development in a more fruitful way? We hope to facilitate academic discussions and collaborations on such research questions in the international academic community. Both Professor Xian Xin, Editor-in-Chief of *China Agricultural Economic Review (CAER)*, and Professor Baozhong Su, Editorial Coordinator of CAER, are very supportive of our idea, and thus we co-organized an international symposium on “New Structural Economics and its Applications in Agricultural Development” with *China Agricultural Economic Review (CAER)* at Peking University on October 21–22, 2017. It was also one of the academic events celebrating Justin Yifu Lin’s 30th anniversary of teaching after he returned to mainland China with a PhD degree in Economics from the University of Chicago. Justin started his academic career as an agricultural economist and he has made great contributions to China’s rural reforms both academically and through policy work.

After that, we co-organized another special forum on “Three issues of agriculture, the countryside, farmers and the New Structural Economics” with CAER at Peking University on December 17, 2018.

We received a large number of submitted papers for them both. All papers included in this special section were selected from the international symposium.

There are seven papers in total in this special issue. The first paper by Lin (2019) examines how to achieve the objective of no poverty in UN’s SDGs by focusing on structural changes based on the NSE. The second paper by Chen (2019) proposes to clarify the panoramic significance of rural reform; the necessity, priority and long-term nature of the current rural development; and the important role of public policy in doing so. It also looks ahead to consider the prospects for future rural reform. The third one by Shouying (2019) gives a brief introduction to the structural characteristics of the Chinese land institutional arrangements, analyzes the reform process of the land system in the past 40 years and its path of change, and evaluates the historic contribution of the land institutional change to rapid economic growth and structural changes. The fourth paper by Yang (2019) examines the impact of nitrogen on soil quality over the long run, which is the shadow price of nitrogen.



And the fifth paper by Wang (2019) explores how these processes of (de)industrialization and rural income distribution interact with each other and their implications for economic growth and welfare. The sixth paper by Yi *et al.* (2019) investigates the impact of mechanization services on farm productivity in Northern China from an empirical perspective, with the aim to identify the underlying market and institutional barriers. The seventh paper by Wang *et al.* (2019) investigates the impact of social capital on the mental health of older adults in rural China.

We believe that all the selected papers can help us better understand important aspects of China's agricultural economic issues, especially from the new perspectives of NSE. We look forward to continue working together with CAER on these important issues in the future. This special section is just the beginning of our collaboration.

Justin Yifu Lin and Yong Wang

Institute of New Structural Economics, Peking University, Beijing, China

References

- Chen, X. (2019), "Forty years of rural reform in China: retrospect and future prospects", *China Agricultural Economic Review*, Vol. 11 No. 3, pp. 460-470.
- Lin, J.Y. (2019), "Structural change and poverty elimination", *China Agricultural Economic Review*, Vol. 11 No. 3, pp. 452-459.
- Shouying, L. (2019), "The structure and changes of China's land system", *China Agricultural Economic Review*, Vol. 11 No. 3, pp. 471-488.
- Yang, Z. (2019), "The shadow price of nitrogen: a dynamic analysis of nitrogen-induced soil acidification in China", *China Agricultural Economic Review*, Vol. 11 No. 3, pp. 489-506.
- Yi, Q., Chen, M., Sheng, Y. and Huang, J. (2019), "Mechanization services, farm productivity and institutional innovation in China", *China Agricultural Economic Review*, Vol. 11 No. 3, pp. 536-554.
- Wang, Y. (2019), "A model of industrialization and rural income distribution", *China Agricultural Economic Review*, Vol. 11 No. 3, pp. 507-535.
- Wang, Y., Wang, L., Wu, H., Zhu, Y. and Shi, X. (2019), "Targeted poverty reduction under new structure: a perspective from mental health of older adults in rural China", *China Agricultural Economic Review*, Vol. 11 No. 3, pp. 555-566.

Reproduced with permission of copyright owner. Further reproduction prohibited without permission.