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Sokhan Inna

D.Sci, Professor of Management Department
Sumy National Agrarian University
ORCID: <https://orcid.org/0000-0002-8038-8484>

Li Zhuoran

PhD student, Department of Management,
Sumy National Agrarian University

Сохань І.В.

доктор економічних наук, професор кафедри менеджменту,
Сумський національний аграрний університет

Li Zhuoran

аспірант,
Сумський національний аграрний університет

CURRENT SITUATION OF INVESTMENT MANAGEMENT IN AGRICULTURAL CHINESE ECONOMY UNDER THE BACKGROUND OF GLOBALIZATION

ПОТОЧНА СИТУАЦІЯ З УПРАВЛІННЯМ ІНВЕСТИЦІЯМИ В АГРАРНІЙ ЕКОНОМІЦІ КИТАЮ В УМОВАХ ГЛОБАЛІЗАЦІЇ

The article focuses on the management of agricultural investment and economic growth under the background of globalization. It also studies the current situation of investment management, the relationship with economic growth and the management research of agricultural economy under the background of globalization. The research results of this article provide the basis for developing better investment management programs and provide useful experience for better management of agricultural investment. Here was adopted the input-output analysis method of agricultural economy, and was made the forecast analysis of the total agricultural investment. These analyses help us to assess the benefits of agricultural investments and provide advice and decision support on management. Through this research article can better grasp the relationship between agricultural investment and economic growth under the background of globalization, and put forward the corresponding management strategies.

Keywords: management, investment, globalization, agriculture.

Стаття присвячена управлінню аграрними інвестиціями та економічним зростанням в умовах глобалізації. Було вивчено поточну ситуацію з управлінням інвестиціями, взаємозв'язок з економічним зростанням та дослідження управління аграрною економікою на тлі глобалізації. Результати дослідження цієї статті є основою для розробки кращих програм управління інвестиціями та надають корисний досвід для кращого управління сільськогосподарськими інвестиціями. Було застосовано метод аналізу витрат-випуску аграрної економіки та проведено прогностичний аналіз загального обсягу сільськогосподарських інвестицій. Ці аналізи допомагають оцінити переваги сільськогосподарських інвестицій і надають консультації та підтримку прийняття рішень щодо управління. Завдяки цій дослідницькій статті можна краще зрозуміти взаємозв'язок між сільськогосподарськими інвестиціями та економічним зростанням на тлі глобалізації та запропонувати відповідні стратегії управління.

Ключові слова: менеджмент, інвестиції, глобалізація, сільське господарство.

Formulation of problem. Although the reform of agricultural development and investment globalization is difficult, under the guidance of a series of international policies, agricultural economic investment management is gradually standardized and internationalized [1]. WTO Agreement on Agriculture, as a global economic and trade rule in the field of agriculture, is of great significance to promote the development of agricultural globalization. In terms of the internationalization of agricultural

investment, the Principles for Responsible Investment in Agriculture and Food Systems issued by the Committee on World Food Security (CWFS) integrates the opinions of all parties [2]. On the premise of encouraging responsible agricultural investment while avoiding food security and agricultural development brought by investment, the role of agricultural economic development in agricultural investment is highly valued, and the investment capacity of agriculture is required to be strengthened and guaranteed.

It is also required to avoid the negative impact of agricultural investment on agricultural development aspects [3].

Literature review. The theoretical and practical problems of investing in the agrarian sector of the economy, its adaptation to market conditions, coordination with global processes are quite widely covered in the works of many scientists: Wang Yaxin, Lu Yujia, Chen Qianfen, Liu Chengfang, Zhang Linxiu, Fan Shenggen, Li Wei, Xue Caixia, Zhu Ruixiang, Guo Kang Quan, Huang Yuxiang, Liu Huixia, Milos Tosin, Wang Xiaoqiu. However, paying tribute to the indisputable developments and achievements of domestic and foreign scientists, we note that the specificity of the agricultural sector of the economy, the problems of their adaptation to the market determine the fact that many conceptual, tactically and strategically important aspects of investing in agricultural formations remain insufficiently researched. The need for their research in the conditions of obtaining intermediate results of the agrarian reform determines the relevance of the research and its purpose.

This article aims to study the current situation of investment management in agricultural economy under the background of globalization and its relationship with economic growth through empirical analysis, and further explore the research on management. It evaluates the current situation of investment management in agricultural economy.

Formulation the main ideas. As a large population and agricultural country, China has developed its own agriculture in line with international trends, actively encouraged Chinese agriculture to "go global", and sought and used the advantages of international agricultural resource integration to promote agricultural economic growth. In recent years, China has entered a new era of opening-up and a new stage of agricultural development [4]. China's agriculture has accelerated its integration with the world's agriculture, and its overseas investment in agriculture has also grown rapidly. Since 2015, China has become the world's second largest capital exporter. Against the backdrop of

shrinking global foreign direct investment and the global spread of COVID-19, China's outward foreign direct investment grew against the trend in 2021, ranking first in the world for the first time [5].

Drawing on international experience, China pays special attention to the externalities of large-scale agricultural investment, gives full play to the role of agricultural investment internationalization in driving agricultural economic growth and optimizing agricultural industrial structure, and avoids the possible infringement of agricultural development rights and interests, agricultural ecology and other problems. Although the international investment environment is complex and changeable, international trade and investment are still an essential part of China's agricultural foreign cooperation and exchange [6].

Agricultural international trade and investment is an inevitable requirement to accelerate the construction of China's economic double circulation development pattern. In order to build a double-cycle development pattern, together with the domestic and international markets, and accelerate the transformation and upgrading of production capacity of backward industries, it is necessary to integrate into the global industrial chain, transfer the production facilities and supporting technologies with comparative advantages in China to the outside, and bring high-quality agricultural products back to China, forming a major domestic and international cycle, and realizing the improvement of quality, efficiency and green development of China's agriculture (Table 1).

As shown in Table 1, the input-output ratio increased year by year. In 2012, 2015 and 2017, the input-output ratio was 17.91%, 19.44% and 20.5% respectively, and the average input-output ratio was 19.38%. In 2012, 2015 and 2017, the input-output increase ratio was 1, 1.53 and 1.06 respectively. The average input-output increase ratio is 1.20, which indicates that the input-output level of China's agricultural economy is improving year by year, and the input-output efficiency is getting higher and higher.

Table 1

The Input-Output Ratio of AG investment

Year	Total input	Total output	Input-output ratio	Input-output increase ratio
2017	1,101,240,340	22,577,335,292	20.50	1.06
2015	1,070,563,649	20,814,465,145	19.44	1.53
2012	894,213,473	16,016,270,834	17.91	1.00
Average	1,022,005,820	19,802,690,424	19.38	1.20

Source: The original data were obtained from the National Bureau of Statistics of China and compiled by the authors

Therefore, this study takes the total amount of agricultural investment in 2020 as the basic data, and the average value of the increase ratio of agricultural economic input-output is the annual change ratio of agricultural investment. The investment data from 2018 to 2020 is used to predict the total amount of investment from 2021 to 2023. The formula is as follows:

$$\text{Agricultural Investment}_{n,i} = \text{Agricultural Investment}_{(n-1),i} \times (1 + 1.20 \times (n - 2020)), \quad (1)$$

where, is the total forecast amount of agricultural investment in year n of item i , is the total forecast amount of agricultural investment in year $n-1$ of item i , $n > 2020$, n is an integer.

The forecast results of total agricultural investment are shown in Table 2. China's total agricultural investment will increase year by year. From 2018 to 2023, China's total agricultural investment will grow at a rapid pace, reaching a quadrillion market.

Such as, China Agricultural Economy in 2023, World Agricultural Economy, Invest Comopleted, Equipment, New Fixed Assets, Government Funds, Financial Loan, Import Funds, Import Foreign Funds, Self Funds, Other Funds were 95,685.36, 316,006.91, 145,730.99, 52,328.04, 98,176.84, 2,247.60, 20,516.98, 20,303.90, 5,955.91, 91,829.11 and 10,83.339 billion yuan respectively.

Moreover, these agricultural investment funds will flow to the intermediate use industry,

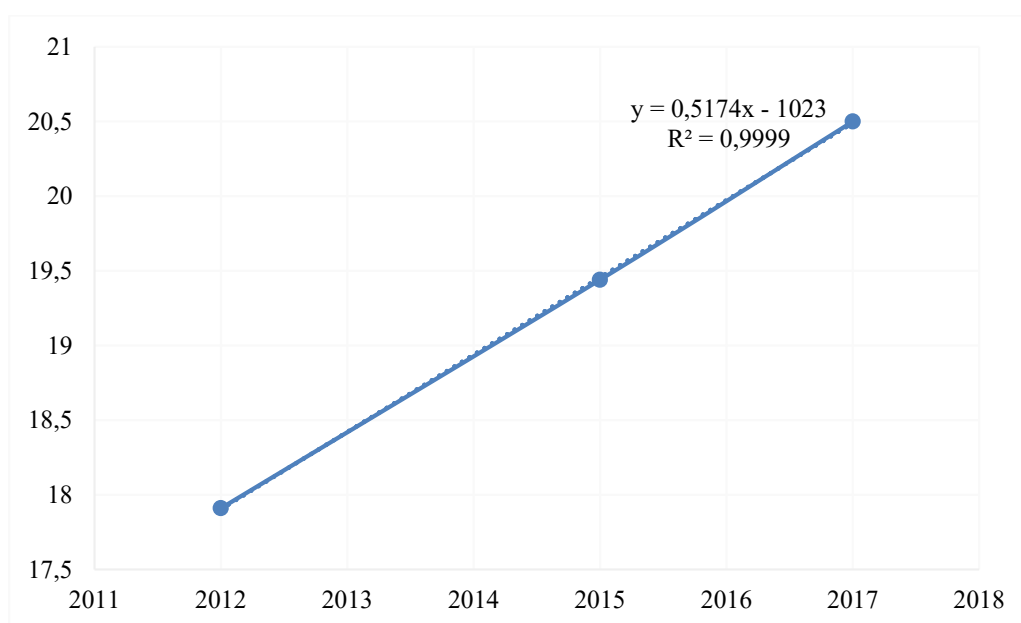


Figure 1. Development and forecast of China's input-output ratio

Source: The original data were obtained from the National Bureau of Statistics of China and compiled by the authors

Table 2

The Total Agricultural Investment Forecast (100 million/RMB)

Year	2018	2019	2020	2021	2022	2023
China Agricultural Economy	7.18	7.66	7.99	173.38	3,970.35	95,685
World Agricultural Economy	24.98	25.42	26.39	572.59	13,112.32	316,006.91
Invest Completed	11.09	11.66	12.17	264.06	6,046.93	145,730.99
Equipment	3.97	4.18	4.37	94.82	2,171.29	52,328.04
New Fixed Assets	7.45	7.85	8.20	177.89	4,073.73	98,176.84
Government Funds	0.17	0.18	0.19	4.07	93.26	2,247.60
Financial Loan	1.56	1.65	1.71	37.18	851.33	20,516.98
Import Funds	1.54	1.62	1.70	36.79	842.49	20,303.90
Import Foreign Funds	0.45	0.47	0.50	10.79	247.13	5,955.91
Self Funds	6.99	7.35	7.67	166.39	3,810.34	91,829.11
Other Funds	0.82	0.86	0.90	19.63	449.52	10,833.39

Source: The original data were obtained from the National Bureau of Statistics of China and compiled by the authors

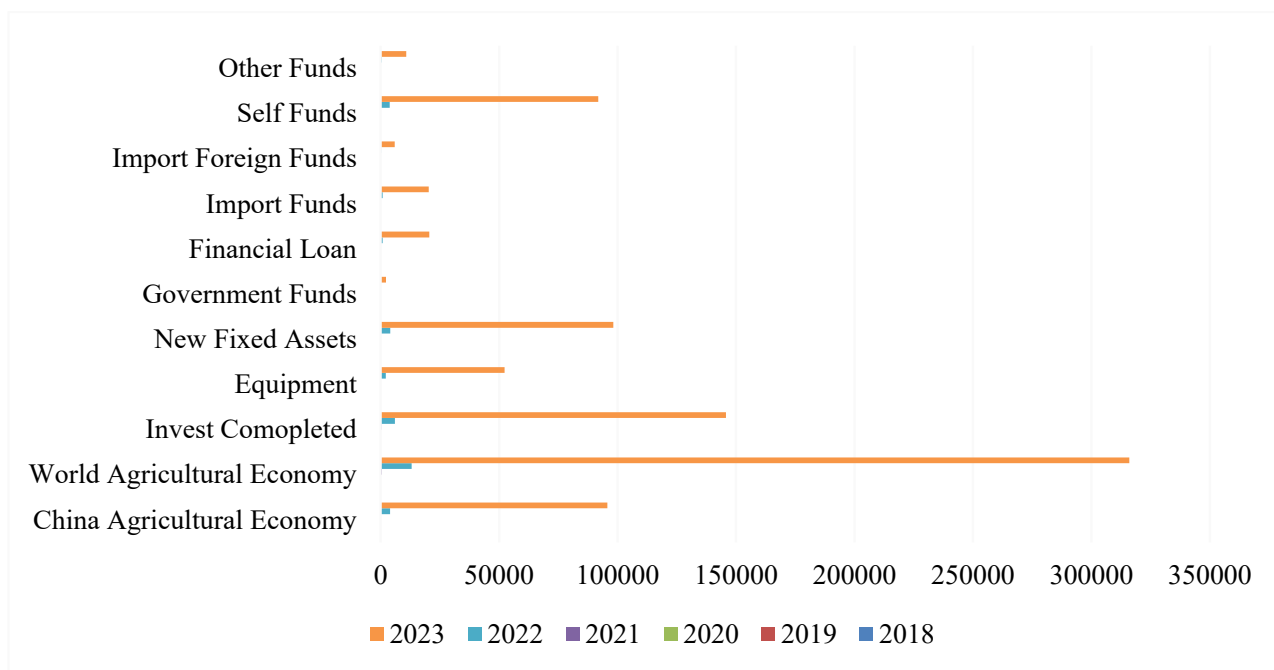


Figure 2. Changes in various indicators of China's agricultural investment

Source: The original data were obtained from the National Bureau of Statistics of China and compiled by the authors

the initial use industry and the final product production industry of agriculture, and create the agricultural economic benefits of the input-output ratio of up to 20 times.

On the one hand, this proves the broad prospect of China's agricultural investment. On the other hand, it also exposes the dilemma of low level of scientific and technological innovation and poor efficiency of resource allocation in China's agricultural development.

In order to give full play to the role of resource and agricultural scientific and technological innovation in driving agricultural economic growth, integrate the development of the three industries, and ultimately contribute to the development of national economy and the improvement of residents' income level. This is the essential connotation and fundamental purpose of the mutual promotion of agricultural investment and economic growth in China.

Conclusions. The Input-Output Ratio of AG investment. This study is based on the relationship between agricultural investment and agricultural economic growth mediated by

investment environment. The analysis shows that China's agricultural input-output level and China's agricultural investment change in the same trend, and the input-output efficiency of agricultural economy is used to predict China's total agricultural investment.

Through a comprehensive investigation of the global and Chinese economic conditions, we can understand the specific performance of the current investment in the agricultural economy and the management problems. It also focuses on the relationship between agricultural economy and economic growth in the context of globalization. From the investment environment, investment structure, investment scale and other aspects, as well as the path of the investment environment as the intermediary analysis. Through these analyses, we can have a deep understanding of the impact of agricultural economy on economic growth in the context of globalization and the role of investment in it. Doing so will help us to better understand the relationship between the agricultural economy and the overall economic development.

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