

Chinese Herbal Medicine Industry Development: A Study on the Rural Revitalization Strategies of Huaihua City in Central China

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The prosperity of industries is the primary task of rural revitalization. Nowadays, the development of the Chinese herbal medicine industry has been included in the state's rural revitalization strategy, and the authentic herbal medicine industry in Huaihua City has ushered in new development opportunities. The quality of Chinese herbal medicine in Huaihua City is high, indicating a vast potential for industrial development. However, such problems are low brand influence and a weak industrial foundation. By adopting the methods of literature review and SWOT analysis, this paper sorts out the frontier research findings of industrial prosperity and the development of the Chinese herbal medicine industry and analyzes the status of the Chinese herbal medicine industry in Huaihua City in Central China. It proposes countermeasures to enhance the brand building and promote industrial integration. The development model of Huaihua's characteristic herbal medicine industry explores a new path for rural revitalization and provides rural revitalization solutions for Central China.

Keywords: Chinese herbal medicine industry, industrial prosperity, rural revitalization, Huaihua City

INTRODUCTION

Through a case study on Huaihua City, Hunan Province in central China as an example, this paper aims to explore the relationship between the development of the characteristic Chinese herbal medicine industry and the rural revitalization strategy and provide decision-making reference for rural areas revitalization in other similar regions at home and abroad. Achieving industrial prosperity is the critical link in promoting the rural revitalization strategy. China has been attaching great importance to developing characteristic industries in recent years. It has made specific requirements for developing characteristic rural industries to

guide the development of characteristic local industries in all parts of the country according to local conditions, aiming to achieve the goal of comprehensive rural revitalization. In 2020, the Ministry of Agriculture and Rural Affairs of China published the *National Rural Industry Development Plan (2020-2025)*, pointing out that industrial prosperity was multi-link, multi-level, and a key step toward realizing rural revitalization. In implementing the rural revitalization strategy, Huaihua City attached great importance to the development of the herbal medicine industry. It proposed the development concept of taking the medical care industry as a strategic pillar industry (Zhao, 2020).

In recent years, the development level of Huaihua's characteristic industries has steadily improved, which to a certain extent represents the industrial development status of South China. Industrial prosperity is an inevitable requirement for rural revitalization, and the development of the characteristic herbal medicine industry can provide important support for the industrial revitalization of Huaihua City. However, the practical process of industrial prosperity will inevitably face severe challenges. How should Huaihua City use its advantages in herbal medicine resources to develop characteristic industries? How should it coordinate the relationship between the development of the Chinese herbal medicine industry and rural revitalization? These have become the problems that Huaihua urgently needs to solve in its development. There are differences in the development models of the herbal medicine industry in different regions. However, this industry still has such advantages as the high potential medicinal value of Chinese herbal medicines and the broad global market. Therefore, it is of great significance to rural revitalization based on resources, tapping location advantages, integrating effective market resources, and developing characteristic industries (Tang et al., 2020).

This paper adopts the literature review method. By studying a large number of relevant literature on rural revitalization and the development of the Chinese herbal medicine industry, it sorts out the forward-looking research findings on the development of the Chinese herbal medicine industry. Focusing on the existing theoretical research improves the part of the theoretical findings on the development of characteristic industries. This paper examines the strengths, weaknesses, opportunities, and threats of developing the Chinese herbal medicine industry in Huaihua, South China, through the SWOT analysis method. It deeply analyzes the development prospects and practical difficulties of the characteristic Chinese herbal medicine industry in Huaihua City. It proposes the development idea of promoting industrial revitalization by developing characteristic industries. It explores a suitable path for developing the characteristic Chinese herbal medicine industry in Huaihua. This way shows the specific path choice for industrial revitalization in southwest China. It provides a reference for global poverty alleviation and international rural revitalization strategies. Therefore, this research is of important theoretical value and practical significance.

LITERATURE REVIEW

Among them, industrial prosperity is the foundation of rural revitalization, and the primary task of rural revitalization is to develop rural industries (Liu, 2018). The rural revitalization strategy requires the prioritized development of agriculture and rural areas. It requires promoting comprehensive rural revitalization following the principles of "prosperous industry, livable ecology, civilized rural customs, effective governance, and affluent life." So far, Chinese scholars have studied the connotation, significance and implementation path of industrial prosperity. Scholars in different fields have different views on the meaning of industrial prosperity. However, in terms of the path to industrial prosperity, scholars generally agree that tapping local resource advantages and developing characteristic industries to achieve industrial prosperity are practical measures to promote rural revitalization (Zeng & Cai, 2018).

In terms of the connotation of industrial prosperity, Guo and Lu (2021) held that industrial prosperity was a process of tapping location and resource advantages, connecting multiple subjects, transforming resource advantages into economic advantages, and ultimately driving the income of the masses (Guo & Lu, 2021). Regarding the significance of industrial prosperity, Li (2018) analyzed the relationship between implementing the rural revitalization strategy to achieve industrial prosperity and economic growth. He put forward the specific connotation and significance of industrial prosperity, holding that industrial prosperity

was conducive to developing rural industries. The rural industry could play an active role in modernization construction (Li, 2018). Regarding the path of industrial prosperity, scholars' common view is to highlight regional characteristics, develop characteristic industries, and realize industrial revitalization. Zhu (2018) believed that it was necessary to highlight the characteristics of species resources, fully use abundant species resources, and develop characteristic industries with unique resource conditions to achieve industrial prosperity (Zhu, 2018). Liu (2018) pointed out that increasing the planting area of advantageous crops was necessary, highlighting regional characteristics and building brand advantages (Liu, 2018). Kremer (1993) mentioned that the sustainable and rapid development of the social economy needed to be driven by competitive industries; Trajtenberg (1990) held that countries should develop industries with comparative advantage to form a characteristic industrial structure with advantages to drive economic growth (Chen, 2013). Researchers believe that industrial prosperity is an inherent requirement for realizing rural revitalization in terms of the path to achieving industrial prosperity. Using local resources to develop characteristic industries is important for realizing industrial revitalization.

The Chinese herbal medicine industry is a local characteristic industry that is actively developing all over China, and its development trend is of great significance to promoting local rural revitalization. With the in-depth implementation of the "Healthy China" strategy, the intensification of the aging population, the continuous improvement of the medical security system, and the increasing awareness and recognition of traditional Chinese medicine, the medicinal value and market advantages of traditional Chinese herbal medicines have become increasingly prominent. In particular, traditional Chinese medicine has played a vital role in treating COVID-19, bringing a new stage of development to the Chinese herbal medicine industry. In scientific research, international scholars have discovered the important medicinal value of Chinese herbal medicines through research. Ware et al. (2000) pointed out that most research on Chinese medicine in most countries focused on herbal medicines. At the same time, they analyzed the application of the medicinal value of Chinese herbal medicines in various countries (Ware et al., 2000). Hong et al. (2015) studied wild ginseng extract and found it had good anti-cancer and anti-AIDS effects (Kim et al., 2015).

Due to the significant medicinal value of Chinese herbal medicines, the Chinese herbal medicine industry has developed rapidly in recent years. The market of Chinese herbal medicines shows broad prospects for development. Edzard Ernst (2002) believed that there were three main markets of natural medicines in the world: the first being the market of traditional Chinese prescription medicines based in South Korea, North Korea and Japan; the second being the market of traditional Chinese medicine centered on the Chinese communities; and the third being the market of western herbal medicines in Europe and the United States (Edzard Ernst, 2002). Soner et al. (2013) observed that the proportion of Chinese herbal medicines in the global Chinese medicine market had gradually increased, and plant APIs had become more and more popular in the international API market (Soner et al., 2013).

At the same time, fluctuations in the price of Chinese herbal medicines affect the development of the Chinese herbal medicine market. Therefore, Chinese scholars have responded to the requirements of the times and researched the early warning mechanisms of the price of Chinese herbal medicines. With the price of Chinese herbal medicines as a warning indicator, Ma and Li (2015) established an early warning mechanism for the Chinese herbal medicine industry. They combined warning indicators and a price mechanism, based the research on the role of the government. They made recommendations from the aspect of informatization construction, aiming to achieve the stable development of the traditional Chinese herbal medicine industry in ethnic areas (Ma & Li, 2015). Chang and Mao (2014) established the framework of a price warning system for Chinese herbal medicines, analyzed the results of the early warning mechanism for Chinese herbal medicines, and provided recommendations for producers, consumers and market regulators, respectively (Chang & Mao, 2014). By establishing an early warning mechanism to regulate the price of Chinese herbal medicines, the stable development of the Chinese herbal medicine industry can be achieved. Studying the price warning mechanism of Chinese herbal medicines and analyzing and making suggestions is one of the important links in the research on the development of the Chinese herbal medicine industry.

Regarding the development status of the Chinese herbal medicine industry, Bao et al. (2021) held that Hubei Province was located in an advantageous production area for the development of the authentic herbal medicine industry, with abundant resources and favorable policies. However, there were weak risk monitoring of herbal medicines, weak leading effect, authentic unfamous brands, and insufficient product research and development. And based on the weaknesses, they proposed measures to promote the high-quality development of the authentic herbal medicine industry in Hubei Province (Bao et al., 2021). In the development of the Chinese herbal medicine industry in the Wuling Mountains, Peng (2015) pointed out the restrictive factors faced by the development of the characteristic Chinese herbal medicine industry in the Wulingshan area of central China and proposed to build an industrial chain for the development of Chinese herbal medicines there (Peng et al., 2015). It is not difficult to see that the development of the Chinese herbal medicine industry in various places has such drawbacks as difficulties in quality control, weak brand effect, and weak production foundations. However, the advantages of resources and location are still relatively prominent.

So far, there is relatively little research on developing the Chinese herbal medicine industry in Huaihua City in central China. Still, this city has a wide variety of Chinese herbal medicines. The 2340 kinds of Chinese herbal medicines there cover 64.95% of all types of medicinal plant resources in Hunan Province. Therefore, studying the development model of the Chinese herbal medicine industry in Huaihua City, giving full play to the characteristic local resources of Huaihua, and proposing development strategies of the Chinese herbal medicine industry can help to build Huaihua into an influential “Chinese medicine valley” in the southwest, and realize the comprehensive revitalization of rural areas.

ADVANTAGES OF THE HERBAL MEDICINE INDUSTRY IN HUAIHUA CITY

The Huaihua Municipal Government has been actively promoting the revitalization of rural industries and supporting the development of the local herbal medicine industry. First, the government emphasizes developing the local market of Chinese herbal medicines. It focuses on developing the poria market in Jinzhou and the sealwort market in Xinhuang. By doing so, it strives to create a hub of preliminary processing, trading and distribution in the producing area in China. Second, it actively integrates the cultural resources of traditional Chinese medicine in Huaihua, realizes the goal of creating a regional public brand of authentic traditional Chinese herbal medicines in Huaihua, and strives to build a regional public brand at the municipal level. Third, the Huaihua Municipal Government further promotes industrial integration and actively expands the construction of medicinal material bases. Adopting the “enterprise + cooperative + base + farmer,” it actively explores new models of forest-medicine combination, fruit-medicine combination, and medicine-medicinal material combination to build an intensive, large-scale, standardized base of Chinese herbal medicine planting.

Rich Resources of Chinese Herbal Medicines

Huaihua City, Hunan Province, is located between hills, mountains and plateaus. The high-quality climate and abundant rainwater resources give the vegetation superior living conditions, and the unique resource advantages have made it China’s “Valley of Chinese Medicines.” As a famous “treasure house of Chinese herbal medicines” in southern China, Huaihua City has long been known as “the hometown of Chinese herbal medicines in Jiangnan” and “the hometown of authentic Chinese herbal medicines.” (Peng, 2017) Huaihua City is between the Wuling Mountains and the Xuefeng Mountains and belongs to the subtropical monsoon climate zone. This area is with a high forest coverage and a comfortable climate. It has four distinctive seasons without extreme heat in summer or severe coldness in winter. The rainfall is abundant, with an average precipitation of 1600mm, and synchronized rainfall and heat. In addition, this area has sufficient light resources with an average annual sunshine duration of 962-1452 hours. All these factors are conducive to the growth of Chinese herbal medicines. Among the traditional species with a medicinal and food homology, Huaihua mainly grows medicines with great influence in China, such as Xinhuang d-borneol and Zhijiang white wax quercifolia. According to statistics from the fourth census of Chinese medicinal resources, as of 2020, the total area of Chinese herbal medicine planting in Huaihua City

had reached 742,500 mu. The total output exceeded 279,000 tons, and medicinal materials' output value reached 5.166 billion yuan. The output of *Poria cocos* and *rhizoma gastrodiae* ranked first in China, showing an increasing trend compared with 2019, indicating that Huaihua's industry of characteristic herbal medicines has broad prospects for development.

Huaihua is particularly rich in medicinal resources in remote mountainous areas, laying a foundation for promoting the overall development of the Chinese herbal medicine industry here. Table 1 lists the characteristic Chinese herbal medicines in Huaihua and their effects. Some are listed as national geographical indication products. Huaihua is China's main producing area, distribution center and trading center of medicinal materials. The scale of the industry here has constantly been expanding, and the leading enterprises of Chinese herbal medicines in Huaihua have gained their position in the national market. With the superior natural conditions, the development trend of the Chinese herbal medicine industry in Huaihua is getting better and better. Under the guidance of the dual strategies of "Healthy China 2030" and "Rural Revitalization," Huaihua gives full play to the regional advantages of herbal medicine resources, expands the scale of the medicinal material industry, and provides practical experience for promoting rural revitalization.

TABLE 1
PART OF THE HERBAL MEDICINE SPECIES IN HUAIHUA AND THEIR EFFECTS

Species	Effects
Jingzhou <i>poria cocos</i>	It can dehumidify, help with urination, and enhance the spleen and the stomach and has been included in the list of National Geographical Indication Products of Traditional Chinese Medicine
Chenxi honeysuckle	It clears away heat, detoxifies, and reduces inflammation and swelling
Xupu Yao Tea	It has an anti-aging effect
Xinhuang <i>Cinnamomum camphora</i>	It refreshes people and helps to clear away heat and kill pains
Xuefeng Mountain <i>cordate houttuynia</i>	It clears away heat, detoxifies, relieves cough and removes phlegm
Tongdao <i>kadsura coccinea</i>	It promotes the circulation of Qi and blood, subsides swelling, kills pains, dissipates stasis and dredges the channels
Xuefeng <i>rhizoma gastrodiae</i>	It stops wind and convulsions, suppresses heat in the liver and dredges the channels
Xinhuang <i>rhizoma polygonati</i>	It nourishes the spleen, moisturizes the lungs and produces saliva; and is an important Chinese medicine with a nourishing effect
Zhijiang white wax <i>quercifolia</i>	It stops blood, produces muscles and eases pains
Huaihua gallnut	It smooths the lungs, reduces heat, stops coughing and sweating

Convenient Transportation in Huaihua

On the one hand, transportation can directly promote local industrial development; on the other hand. It generates positive externalities to industrial development and economic growth. Therefore, a sound transportation system can help promote the development of local industries. Zhijiang Airport is located in Huaihua City, a vital airplane base during World War II. Six significant railway lines meet in Huaihua. These six railways are Shanghai-Kunming High-speed Railway, Jiaozhou-Liuzhou Railway, Huaihua-Hengyang Railway and Zhangjiagang-Jishou-Huaihua High-speed Railway. In addition, an expressway network has been formed in Huaihua, which covers the entire city and provides convenient transportation with "one vertical line plus three horizontal lines and a ring."

Profound Cultural Deposits

Cultural heritage is an important part of industrial development, and cultural deposits also affect the development of characteristic industries. During the Tang Dynasty, several places in Huaihua conveniently offered characteristic Chinese medicines as a tribute to the court. Those grown in Zhijiang, Huaihua, and Luxi County, Chenzhou, were particularly well-known. In 2004, the 1st Traditional Chinese Medicine Modernization Expo of Hunan was held in Huaihua City. As the host of this conference, Huaihua showed new technologies and products of traditional Chinese medicine to different provinces and promoted the traditional Chinese medicine industry (Xiang, 2004). In 2012, Huaihua's single Chinese herbal medicine planting scale ranked top in China. In the same year, at the opening ceremony of the Wuling Mountain Health Industry Expo, Huaihua was awarded the title of "Hometown of Authentic Chinese Medicinal Materials" by the China Association of Medical Materials (Di, 2019). In 2019, Huaihua International Health Industry Expo was held at Huaihua International Convention and Exhibition Center. It attracted hundreds of companies worldwide, and many contracts were signed during the expo, obtaining an investment of more than one billion yuan. On November 21, 2020, the Huaihua Chinese Herbal Medicine Industry Association & the "Huaihua Declaration on Ecological Planting of Chinese Herbal Medicine" was held (Huang, 2020). Huaihua's Chinese herbal medicine industry has always attracted much attention, and it is gradually developing in the direction of scale development, industrialization and modernization. Chinese herbal medicines are the product of the unique geographical location and natural resources and the fruit of cultural nourishment. Huaihua's rich history and culture of traditional Chinese medicine, convenient transportation, and solid industrial foundation have helped raise the local characteristic herbal medicine industry and provided cultural support for creating a "ten billion industry" of traditional Chinese herbal medicines.

Policy Support

A key factor for industrial development is the support of guiding policies introduced by the government. In recent years, the Chinese government has issued policies to plan the development of Chinese herbal medicines as a national strategy. The Chinese medicine industry in Huaihua has been included in the 14th Five-year Plan for the medical industry in Hunan Province. In addition, it has become part of the overall development plan of "four zones and six parks" for the TCM industry in Hunan Province (Zhu, 2020). In 2019, the compilation of the "Development Plan for the Traditional Chinese Medicine Health Industry in Huaihua (2020-2030)" was initiated (Liu, 2020). To develop the characteristic medicinal material industry, the Huaihua Municipal Government has provided much support in human resources, materials and financial resources.

With the government's policy support, it takes the development of the Chinese herbal medicine industry as a breakthrough point. On the one hand, it organizes personnel to visit key counties and districts of traditional Chinese medicinal materials to participate in exchange meetings and actively introduces professional talents and enterprises for cooperation; on the other hand, it cooperates with well-known pharmaceutical companies. It promotes the overall revitalization of the countryside through economic benefits. Economically, it encourages banks to give preferential policies and support farmers to invest in the traditional Chinese medicine industry with loans.

Many advantageous conditions endow Huaihua with a broad space for developing characteristic industries, including rich natural resources, convenient transportation, profound cultural deposits and oriented policy support. Known as the "Hometown of Medicinal Materials." Huaihua has many Chinese herbal medicines, an obvious advantage for developing the medicinal material industry based on its resources. So far, Huaihua has built a standardized base of Chinese herbal medicines. Two projects of Chinese medicine standardization have been carried out in Huaihua, respectively, the "Standardized Construction of Poria" and "Standardized Construction of Sealwort." They focus on planting such varieties as honeysuckle, lily, Poria, borneol camphor, and Gastrodia elata. These varieties account for 64.95% of all medicinal plant resources in Hunan Province, including 175 key medicinal materials, accounting for 66.9% of the total number of key medicinal materials in China. At the same time, in developing characteristic industries, Huaihua Municipal Government emphasizes the large-scale production of enterprises of Chinese herbal medicines. Doing so enhances their innovation ability, increases investment in product R&D, and

improves the added value of Chinese herbal medicines. In recent years, 36 Chinese herbal medicine planting enterprises have developed in Huaihua, of which 7 are provincial high-tech ones. It has fostered and expanded such scale enterprises of Chinese patent medicines and Chinese medicine decoction pieces as Zhengqing, Butian and Boschkang. Huairen (Boschkang) Health Industrial Park has become the first “National Base of Chinese Herbal Medicine Logistics Experiment” in Hunan Province.

DEVELOPMENT STRATEGIES FOR THE AUTHENTIC MEDICINAL MATERIAL INDUSTRY

Promoting the construction of a healthy China is the guarantee for promoting the all-round development of human beings, and it is the foundation for realizing the goal of modernization. The health of the people is the symbol of national rejuvenation. Therefore, the State Council of China issued and implemented the Healthy China 2030 Plan Outline. The Outline puts forward the theme of “shared health and health for all” and advocates giving full play to the unique advantages of traditional Chinese medicine and incorporating health management into the entire economic and social development process. Under the strategic guidance of the Outline of the Healthy China 2030 Plan, the characteristic medicinal material industry in Huaihua has shown a good development trend. The development of the authentic medicinal material industry in Huaihua has obvious advantages in various aspects, but there are such bottlenecks as low brand influence and a weak industrial foundation. Therefore, starting from practical problems, this paper analyzes the predicaments faced by developing the authentic medicinal material industry and proposes feasible strategies to overcome them. Objectively analyzing the disadvantages and threats of the development of Huaihua’s characteristic medicinal material industry can help to understand and promote the high-quality development of the characteristic industry.

The Predicaments Faced by the Development

First, the low brand influence is a predicament in developing the authentic medicinal material industry in Huaihua. With the continuous expansion of the industrial scale, farmers’ awareness of brand building is relatively weak due to the lack of professional technical guidance. In terms of planting, they blindly follow the trend, lack selective and professional planting route planning, sell through single sales channels, and fail to give full play to the characteristics of their products. In the era of the knowledge economy, industrial economics believes that differentiation is an important means of industrial development, and consumers have a high demand for brands with product characteristics. To stand out from enterprises, creating characteristic brands is particularly important. However, weak property rights protection has restricted the high-end innovation and development of traditional Chinese medicine in Huaihua to a certain extent. It has also led to a lack of reasonable protection of the characteristic industry in Huaihua, making it difficult to achieve breakthroughs in construction. Many products are aware of brand building, but they lack new approaches. Efforts should be made to build brand clusters, strengthen the connection between brands, maximize the brand effect, make breakthroughs in the influence construction of characteristic brands, enhance the competitiveness of products, and develop in diversification, high-end and internationalization. Given the development of the traditional Chinese medicine and health industry, Huaihua has obvious advantages. It enhances the construction of key products, creates characteristic and well-known brands, strengthens the establishment of quality supervision systems, formulates exclusive standards of high quality, puts greater efforts into packaging and publicity, improves economic benefits and creates the reference Chinese medicine trademark of “Huaihua.” It should drive better social and economic development through the high-end sales of the agricultural products of traditional Chinese medicines and speed up the transformation from a resource-oriented base of Chinese medicines to an economic base of Chinese medicine.

Secondly, the weak industrial foundation is also a bottleneck restricting the development of the Chinese herbal medicine industry in Huaihua City. The state pays more and more attention to the individual planning of the traditional Chinese medicine industry, ignoring the unified industrial chain. The Chinese herbal medicine industry is in a state of low-level construction. The vigorous development of the industry should not only be limited to the pharmaceutical industry but should be the integrated development of various

industries. With the development of new technologies, the transportation and circulation system supervision should be strengthened based on network construction to reduce transportation costs. The planting and picking of medicinal materials should be planned reasonably, and uncontrolled reclamation should be avoided to protect the diversity of vegetation and build a characteristic local area of “the Valley of Traditional Chinese Medicines.” Tourism should be carried out promptly, cultural propaganda should be enhanced, sustainable economic development strategy should be followed as a guideline, and resource development and medicinal material protection should be organically combined to achieve sustainable development. In addition, the technological added value of peripheral products also lacks attention and is still in its infancy. The deep processing of medicinal extracts, the separation and new combination of different medicinal components, and the research potential of medicinal materials technology have not yet been effectively explored, and they lack core competitiveness. Limited primary processing will weaken the medicinal value and limit the quality and efficiency of new medicinal products. The medicinal effect of healthy food should be strengthened, the active ingredients should be extracted, the essence should be concentrated, and the industrial chain of value expansion should be strengthened. At the same time, blind development and the lack of safe and effective technical guidance have led to the loss of the medicinal material consumption market and reduced consumption levels. Therefore, the development of the Chinese herbal medicine industry should be mainly supported by science and technology. Based on the rich resources of medicines in Huaihua, resources of characteristic medicines should be integrated, the construction of leading companies should be enhanced, and new forms of cooperative and large-scale organization should be developed. The operation model with economic innovation should be implemented. The industrial chain mechanism should be improved. Besides, key breakthroughs should be made in all links, from sowing to sales and developing additional products and industries. More should be invested in creating a standardized industrial chain with “one-stop” services.

Breaking Out of the Predicaments

Currently, the development of the Chinese herbal medicine industry has entered a new stage and is facing new opportunities and challenges. Analyzing the current status of Chinese herbal medicines, reflecting on and positioning the future development direction of Chinese herbal medicines in Huaihua is of great significance for ensuring the stable development of Chinese medicine, ensuring the health of the entire people and realizing the long-term development of the country. Based on analyzing the development characteristics and development direction of Chinese herbal medicines in the “14th Five-Year Plan”, this study sorts out the development status of Chinese herbal medicines in Huaihua City, predicts the development trend of Chinese herbal medicines here, and makes the suggestions for the sustainable development of the industry:

First, ensure the safety of planting drugs. The rapid development of the traditional Chinese medicine planting industry is accompanied by such problems as the decline in the quality of traditional Chinese herbal medicines, excessive pesticide residues in the medicinal materials, and obstacles to continuous cropping. To address these issues, the Chinese government issued the Opinions of the Central Committee of the Communist Party of China and the State Council on Promoting the Inheritance and Innovative Development of Traditional Chinese Medicine in 2019. It is not difficult to foresee that the ecological planting of Chinese herbal medicines is in line with the trend of the times. Standardizing the ecological planting of traditional Chinese herbal medicines and improving the integrated pest control measures in ecological agriculture of traditional Chinese herbal medicines can ensure the safety of drug use in medicine planting to a large extent.

Second, strengthen the construction of the circulation system of Chinese herbal medicines. The traditional Chinese medicine industry has the characteristics of a “long chain, wide scope and multiple problems.” Essentially, it is a drug market intertwined with a resource market, a unique form of industry. The government promotes the market circulation of traditional Chinese medicinal materials. Those engaged in production and operation should shoulder the main responsibility of controlling the quality of Chinese herbal medicines. They should actively integrate themselves into existing comprehensive circulation systems, such as the National Platform for the Guarantee of Medicinal Material Supply, to lower the

enterprises' cost of system development, provide circulation information in all links and enhance the awareness of risk prevention.

Third, increase investment in breeding and improve the quality of Chinese herbal medicines. The research and development of the seeds and seedlings of Chinese herbal medicines requires a certain period, which can not be achieved quickly with simple facilities, but requires a lot of capital and human input. The geographical environment and climate changes in Huaihua City are suitable for the growth of Chinese herbal medicines, and unique local varieties have been formed. However, the planting scale is small, limited by seedlings to a certain extent. Financial institutions are suggested to adapt to local conditions and develop loan methods suitable for local business entities.

CONCLUSIONS

With the overall development of the herbal medicine industry in Huaihua as the research subject, this paper analyzes and explores new paths for industrial revitalization in central China, provides new ideas for industrial revitalization in central China, and drives the strategic process of rural revitalization in central China. Huaihua is located in the transportation and logistics hub of Central China, with superior geographical location and convenient transportation, which provides infrastructure support for the local industrial development. The Chinese herbal medicine industry here has broad prospects for development, and the characteristic industry of Chinese herbal medicines here is developing well. However, such problems as low brand influence and weak industrial foundation restrict the international development of Chinese herbal medicine enterprises in Huaihua City. Based on this, this study reflects on regulating the safety of medicine planting enterprises, strengthening the construction of the medicine circulation system and increasing investment in inbreeding. It proposes a path suitable for Huaihua's characteristic herbal medicine industry to break through the predicaments and adhere to characteristic development. Promoted by national strategies such as the Outline of the Healthy China 2030 Plan, Huaihua should actively respond to the call to cultivate the characteristic Chinese herbal medicine brand "Huailiuwei." It should seize the opportunities to develop Huaihua's Chinese herbal medicine industry, act in response to the trends and create a "Valley of Chinese Herbal Medicines" in China with a unique influence. There are still some deficiencies in this study regarding setting the price supervision mechanism for Chinese herbal medicines, the research on the influencing factors of the quality of herbal medicines, and the detailed research on the theoretical system of developing characteristic industries according to local conditions. In the future, the researcher needs to conduct more in-depth research. Through multi-party research collaboration, the researcher will set up a price warning mechanism for Chinese herbal medicines, monitor price fluctuations, and promote the stable development of the medicinal material industry.

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