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Starting situation: collective farming predominant; “bad memories”

- ❖ re-introduction of family farming: China: late 1970s, early 1980s; production “boom”
Vietnam: early 1980s, late 1980s; production “boom”
- ❖ model for other transition economies in 1990 (! or ?)

Development of agricultural cooperatives since de-collectivization:

China: three phases

Phases	Main characteristics
early 1980s-mid 1990s: bottom-up self-help organisations (informal): “professional technical associations“	extension, training, market information
mid 1990s-2006: registration by various departments; not accepted as business organisations: ”farmer professional organisations”	extension, training, coordination, joint marketing (contract farming); members invest and control; government promotion
since 2007: Cooperative Law effective; FPCs accepted as business organisations	extension, training, input supply, marketing; members invest and control; government promotion

Vietnam: two phases

Phases	Main characteristics
1988-1996: collective farms operational, but not in production; informal groups established	extension, input supply, irrigation, electricity, but no marketing; almost no support from government
since 1997: Coop Law effective; transformation (“old-style“ into “new style”); set up of new cooperatives; informal groups	extension, training, irrigation, input supply, electricity, marketing; limited support from government

Governance structure: Initiators and stakeholders

Stakeholder	Main role	Embedded resources	Main reason
bureaucratic entrepreneurs	initiators & controllers	political resources, organizational skills	political, develop local economy
business entrepreneurs	initiators, owners & controllers	capital & human resources, management skills	income, stabilize & improve production, marketing
agricultural entrepreneurs	initiators, owners & controllers	natural & capital resources, organizational & production skills	income, production & marketing
ordinary farmers	beneficiaries & participants	natural resources, production skills	income, access to markets

- ❖ initiators: members of the boards; high degree of decision-making power
- ❖ cooperatives initiated by officials and farmers: larger membership, broader scope

Conclusions: Specific features of transition in comparison to CEE and CIS

- ❖ re-introduction of family farming: rapid expansion of agricultural production
- ❖ starting point: malnutrition and hunger
- ❖ gradual approach: start with agricultural sector
- ❖ no change of the political regime (“socialist market economy”): on going support for agricultural cooperatives (politically and financially), although same bad memories on collective farming