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Non-professional Agricultural Production Villages Establishing a New Rural Cooperative

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Abstract The article analyzes problems in the agricultural development of non-professional agricultural production villages of Fenghua City. Firstly, low technical and scientific content of production and low standardization level. Secondly, scattered sales and non-fixed marketing channels. Thirdly, difficulties in group cooperation of farm crops with special benefits. Fourthly, imperfect service of rural committees of non-professional agricultural production villages in Fenghua City. A new rural cooperative is to be founded to help villagers in non-professional agricultural production villages of Fenghua City to be engaged in agricultural production and management activities, and to improve their overall incomes. On the one hand, a perfect and scientific cooperative operating system is to be built specifically including three functions. Firstly, fully playing the leading and bridging role of rural primary organizations. Secondly, fully carrying out the pushing role of capable persons in the administrative village. Lastly, fully playing the role of active participation and cooperation of villagers. On the other hand, constructions of normalization, standardization and brand orientation with special emphasis should be achieved under the guidance of local governments. The key of building a cooperative of non-professional agricultural production villages in Fenghua City is discussed. One is that rural cadres should have strong awareness of serving the people. The other is that governments at all levels should energetically support the establishment and management of rural cooperatives.

Key words Fenghua City, Non-professional agricultural production villages, New rural cooperative, China

Fenghua City, as a county-level city subordinate to Ningbo, is located on the coast of the East Sea which is in Southern Yangtze River Delta. It has 6 counties, 5 residential districts and 354 administrative villages. It owns a population of 485 000 and an overall area of 1 349 km² in which land area counts 1 253 km² and sea area 96 km². Fenghua has impressive landscape with gorgeous mountains. It harmonizes landscape scenery, human landscape, harbor scenery and culture of Buddhism together and is the seat of two national 4-A tourism scenic spots—Xikou which is the hometown of Chiang and Tengtou Village which is awarded "Global Ecological 500 Roll". Fenghua has very obvious location advantages with convenient transportation. Tongsan Expressway and many others as well as Yongtaiwen Railway cross over Fenghua City. And the cross-sea bridge of Hangzhou Gulf links Fenghua City with Shanghai and Ningbo closely together^[1]. In Agriculture, Fenghua has become a city with six leading agricultural products, namely honey peaches, bamboo shoots, taros, flowers and plants, strawberries and marine cultivation. And it was successively awarded "the Home of Chinese Honey Peaches", "the Home of Chinese Taros", "the Home of Chinese Strawberries" and "the Home of Chinese Green Plums". Fenghua City has several professional agricultural production villages. Thirty-six Gulf Village in Xikou County and Chitou Village of Chiang in Xiwu residential district are specialized in the production of flowers and plants, while Xinjian Village in Xikou County and Linjia Village in Xiaowang Temple residential district are specialized in the production of honey peaches. These professional agricultural production villages not only built their own cooperatives,

but also have established unified marketing channels with settled client base under the assistance of cooperatives. Thus, the collective economic income of the whole village has been improved. However, among those 354 administrative villages, professional agricultural production villages just take up a very small percentage. Villagers in other non-professional villages are also engaged in the cultivation of agricultural products with special benefits. Questions about how to improve the production technique of villagers in these non-professional villages, how to settle their marketing problems and how to increase their productive incomes of farming are to be studied. The writer believes that there are ways of developing the economy of non-professional agricultural production villages and improving the income of villagers in non-professional agricultural production villages. And this article mainly discusses ways of establishing new and characteristic cooperatives in non-professional agricultural production villages. Besides, concept of "non-professional agricultural production villages" is comparative to "professional agricultural production villages". It means main income of rural residents in that administrative village is not from agricultural production. Those villagers also undertake non-agricultural production.

1 Problems in agricultural development of non-professional agricultural production villages in Fenghua City

Among all the six counties and five residential districts of Fenghua City, almost every county as well as residential district has created one or several agricultural products in recent years and enjoys certain reputation over the whole Ningbo City and even neighbor cities and provinces. However, since villagers in

non-professional agricultural production villages are also engaged in cultivation of these agricultural products with special benefits, the production, processing and marketing of agricultural products of Fenghua City have not formed a unified network.

1.1 Low technical and scientific content of production and low standardization level Villagers in non-professional agricultural production villages of Fenghua City are not specialized in agricultural production with special benefits. Their farming activities are undertaken in spare time. So, agricultural income is just a small amount of their overall income and complementary to salary income and management income. So, they don't have much time and energy to be devoted to farming. They don't intentionally learn and adopt professional technology into farming activities, nor do they invest high technology to improve agricultural production efficiency as well as the quality of agricultural products. They just use traditional planting technique to undertake traditional farming activities. Moreover, villagers in non-professional villages undertake farming activities according to their own actual spare time. Agricultural products with special benefits are cultivated dispersedly with self-regulation. So, everything from shopping of the seeds of agricultural products, cultivation of farm crops, pesticide application to the processing and packing is done without a unified standard.

1.2 Scattered sales and non-fixed marketing channel Since villagers in non-professional agricultural production villages of Fenghua City cultivate farm crops with special benefits dispersedly and spontaneously, unified sales of agricultural products cannot be achieved. Marketing activities are formed according to their own actual situations and demand. They have no fixed clients as well as marketing channels. Marketing activities are dispersed and non-standard. Sometimes these villagers set up a stall on the roadside or transport products to farming markets. Sometimes they sell to dealers who come to villages to purchase agricultural products for convenience. But, those dealers usually select products good in quality, leaving all the others with flaw aside. Thus, part of those villagers' effort cannot be transformed into income. In addition, purchasing prices of agricultural products are raised under competition when there are many dealers, which causes an increase in purchasing cost and a fall in profit space, and sometimes even loss money. Unfixed marketing channels are not beneficial to not only villagers undertaking agricultural production but also those undertaking agricultural management.

1.3 Great difficulties in group cooperation of farm crops with special benefits Farm crops with special benefits have strong features of seasonal character. Most agricultural products ripen and go to the market in different seasons. For example, farm crops with special benefits in Fenghua City—bamboo shoots come into market in March and April every year, honey peaches in later July and early August, alpine watermelons in July and flowers and plants can be sold throughout the year. So, villagers in non-professional agricultural production villages of Fenghua City can be busy in farming throughout a year with different income in different seasons. Additionally, villagers in non-professional agricultural production villages of Fenghua City

do not cultivate just one farm crop. Basically, they all plant several crops, such as bamboo shoots, honey peaches, watermelons, taros, flowers and plants and so on. Moreover, these benefit crops are distributed in every part of Fenghua City since the geographical and climate conditions of each residential district and county are greatly the same. For example, the bamboo of Fenghua City is mainly distributed in Xiaowang Temple residential district, Xikou County, Shangtian County and Dayan County. And flowers and plants as well as honey peaches are mainly in Xiaowang Temple residential district, Jinping residential district and Xikou County, while honey peaches are mainly distributed in Xiaowang Temple residential district, Jinping residential district, Xiwu residential district and Xikou County. Considering one farm crop is distributed in different regions and the restrictions of geographical position as well as transportation fees, farmers cannot get information and good communication with each other while producing and selling products. Cultivation and marketing are limited in a single residential district or county. Hence, difficulties in group cooperation.

1.4 Imperfect service of rural committees of non-professional agricultural production villages in Fenghua City Committees of professional agricultural production villages in Fenghua City can be in charge of unified management and marketing or serve as a bridge while villagers undertaking agricultural activities. But, those of non-professional agricultural production villages do not provide such good service for their villagers. Those committees basically ignore agricultural activities or let villagers do as they like. Sometimes they just take actions formally with unfavorable process and effects. For example, the harvest time of bamboo shoots in Fenghua City is March and April. Though committees of these administrative villages set up labels with "No Stealing Bamboo" on the bamboo mountains and arrange patrolmen to be on guard, villagers can still find that their bamboo mountains are dug by others. Rural committees are not responsible in supervision and management. Besides, they won't manage and take charge of the supply of production means, such as seeds, chemical fertilizer and pesticides. They won't volunteer to contact with the outside in order to help local villagers to open up sales market, nor will they volunteer to contact with technical personnel of agro-technical stations to bring educational activities about technology for villagers.

2 Establishing cooperatives with participation of all villagers under the guidance of rural committees

Through the past few years' efforts of governments at all levels, agriculture of Fenghua City has gradually established agricultural products with regional features, for example, featured agricultural bases, like honey peaches of Xikou, taros of Xiaowang Temple, strawberries of Shangtian and cage aquaculture of Chunhu have been built. Additionally, Fenghua City has established seven associations of municipal level of honey peaches, taros, aquaculture, bamboos, flowers and plants, tea and live pigs. Regional professional associations at county

level amount more than 20. And Fenghua City owns 90 farmers' professional cooperatives by 2008^[2]. The current professional associations, as agricultural intermediary organizations, and 90 farmers' professional cooperatives play a crucial role in the unified purchasing, cultivation and marketing of agricultural products with special benefits. For example, Global Flower and Tree Professional Cooperative in Fenghua City not only built flower and tree training centers for villagers, but set up connection sites for the production and sales of flowers and trees in 12 professional flower and tree villages, such as Dongyue Village and Thirty-six Gulf Village of Xikou County, Chitou Village of Chiang in Xiwu residential district and Qiange Village in Xiaowang Temple residential district. It sells cherry blossom, red maple, osmanthus and some others which value nearly one million to distant places as Shanghai and Kunming^[3]. Then, cooperatives with villagers' participation and guidance of rural committees are to be built in order to help villagers in non-professional agricultural production villages to undertake agricultural production and management activities, thus to improve their overall incomes.

2.1 Establishing a perfect and scientific cooperative operating system of non-professional agricultural production villages

2.1.1 Fully playing the leading and bridging role of rural primary organizations.

The due functions of primary organizations of non-professional agricultural production villages of Fenghua City in villagers' agricultural activities should be fully played. Taking the lead, primary organizations should bring all villagers in its administrative village into the cooperative to be built. On the one hand, producing area of each farm crop of each peasant, harvest situations of each year and labor force conditions of rural households are to be carefully investigated and fully understood. On the other hand, thorough promotion and mobilization are to be carried out to spread various advantages of joining a cooperative as well as risks to be avoided. Moreover, when a cooperative is being built, accession of each peasant should be carefully arranged and accession materials should be completely registered. Peasants should know the rules and regulations of the cooperative and make sure of their rights and obligations. After establishing the cooperative, rural committees should play a leading and linking role. Firstly, rural committees contact technical personnel to optimize the selection of all seeds according to the natural geographical conditions of the administrative village and make unified purchasing among members of the village, except those seeds which do not need to be selected, such as the peach, bamboo and so on. Then, each peasant purchase seeds from the rural committee according to his own need. Secondly, scientific technology of optimizing cultivation and standardized as well as unified fertilization and management should be adopted under the guidance of technical personnel. Chemical fertilizer is also purchased according to the amount that each peasant demands. Thirdly, rural committees actively get contact with farming markets of various kinds, supermarkets and original purchasing clients to make sure that orders are settled before the harvest of agricul-

tural products. Thus, fixed marketing channels and unified marketing can be formed while harvesting. Fourthly, costs and benefits are calculated in time after the sales of all agricultural products. And incomes are allocated according to the yield of each member in a certain proportion. Fifthly, trainings of planting technique about each farm crop are carried out for members at regular intervals. Rural primary organizations as a whole play a leading role in the establishment of cooperatives. Cooperatives cannot be built without active proposals, connection and preparation of rural committees. Meanwhile, rural primary organizations play a supervisory and bridging role in the operation of the cooperatives. Rural committees not only establish and safeguard various operating regulations of cooperatives, but also contact higher-level governments, especially agricultural bureaus, agro-technical stations and serve as a bridge connecting buyers' market with sellers' market.

2.1.2 Fully carrying out the pushing role of capable persons in the administrative village.

The pushing role of original capable persons should be fully played. Rural committees can guide all kinds of capable persons to drive the ordered and effective development of the whole cooperative.

Those capable persons such as the original planting majors, transporting majors, purchasing majors and so many others have already accumulated rich practical experience and formed a relatively more fixed client network as well as marketing channels. Rural committees should actively contact capable persons of the villages and let them participate in the whole establishment and operation of the cooperative. Their participation can strengthen the development of the cooperative. They are hired to take charge of major work and transactions and are assigned to different positions such as planting, marketing and transportation according to different functions. Perfect and scientific performance assessing system should be established and deserved rewards are awarded according to their job performance. Certainly, these hired capable persons have flexible working time. They just need to achieve working assignment of each period with expected effect and don't need to be on and off work on schedule. Thus, they have enough spare time to undertake other sideline business to improve their own income. Capable persons of the village play an excellent leading role in the whole operation of the cooperative. With their participation, the operation of the cooperative would be smoother.

2.1.3 Fully playing the role of villagers' active participation and cooperation.

Voluntary participation of each villager should be earned with the maximum extent before the establishment of a cooperative. And compulsive participation in the cooperative of villagers is needed under necessary circumstances. But, the precondition of this kind of work is the adequate promotion and mobilization of rural committees while establishing a cooperative. Villagers should understand their rights and obligation prescribed by the cooperative when becoming a member of the cooperative. Members should actively cooperate with all kinds of work in the cooperative, participate various trainings which are held by the cooperative, use the unified seeds and fertilizing standard, deliver the agricultural products which are to be sold

to the cooperative as well as offer suggestions and proposals which are beneficial to the advancement of the cooperative. In a word, the mastering role of villagers as well as members of the administrative village should be fully played. Members, as the main force of the cooperative, are the backbone of the effective operation of the whole cooperative. The cooperative cannot be run normally if the participation and positive attitude of each member are not fully mobilized.

2.2 Three kinds of construction of the cooperative in non-professional agricultural production villages should be achieved under the guidance of local governments at all levels

The establishment and operation of cooperatives of non-professional agricultural production villages in Fenghua City should be based on three levels of city, county and town. Efforts should be made to make sure that each cooperative is service-oriented with features of strong service abilities, excellent qualities of products and good democratic management so as to become a modern organization of agricultural business leading Ningbo City and even Zhejiang Province as a whole. Cooperatives of non-professional agricultural production villages in Fenghua City should create a path with their own distinction under the assistance of governments at all levels. Then they can strengthen and develop their agricultural business organizations to raise the income and improve the living standards of local rural residents. Thus, villagers will undertake agricultural production activities with more confidence and insurance.

2.2.1 Emphasizing the construction of normalization. Various kinds of rules and regulations of the cooperative should be established and perfected. Work should be done in accordance with regulations and democratic management is to be carried out. All members of the cooperative should fully understand and grasp those regulations and practically perform their rights and obligation. Management system of the cooperative should be established and perfected. Transparent, overt and impartial business and finance management system are to be built so that all members could understand the operating situations of the whole cooperative. Favorable internal accumulation system and risk insurance system should be built to increasingly strengthen the inner vibrancy of sustainable development^[4].

2.2.2 Emphasizing the construction of standardization. First of all, governments at all levels in Fenghua City and rural committees should guide each member of the cooperative to implement the standardized production. The procurement and supply of production means such as seeds and chemical fertilizer, production technology and the purchasing as well as marketing channels should be unified. The production of each agricultural product is to be recorded and information about production supervised. Besides, governments and rural committees should contact the leading agricultural organizations or build their own processing center of agricultural products if they have enough actual power. Standardized processing and packing should be carried out with the road of agricultural industrialization to improve the commodity value of agricultural products. Participation in "the docking of agricultural production and consumer market" is needed in order to step out of Fenghua City and

Zhejiang Province. Last but not least, agricultural technical personnel and marketing personnel should be contacted to held regular trainings, including those of features of farm crops, production technology of farm crops, utilization of various agricultural implements with high technical content, marketing strategies as well as economic features of the market and so on. Little village officials should be contacted to carry out literacy campaigns and computer trainings for members of the cooperative so that they can acquire new knowledge and skills and update production technology as well as widen the market by using the Internet.

2.2.3 Emphasizing the construction of brand orientation. To begin with, a favorable credit control system is to be built and perfected to guide the cooperative and members as a whole to be law-abiding and moral models, which is beneficial to improving its own market competitive power. Besides, strategies of brand orientation should be implemented. Each cooperative should have an independent registered trademark. Supposing that the production scale of some agricultural products with special benefits is relatively small, cooperatives with the larger production scale are to be contacted. The group cooperation is needed to use the agricultural product brands of that cooperative in order to sell the products. Lastly, brand recognition can be achieved by holding various activities, such as "Peach Blossom Festival" and "Strawberry Festival". Those activities can not only attract visitors from the outside but also advance its brand recognition. Moreover, tourist resources around the villages can be integrated according to distinctive self-features. For example, we can develop recreational sightseeing agricultural parks and launch recreational tourist villages of farmhouse enjoyment which meet the needs of the market. Activities of "Picking in Person" and "Survival Experience" as well as many others can be created to attract city residents to come to the countryside, eating, living, playing, visiting and purchasing.

3 The key of building cooperatives of non-professional agricultural production villages in Fenghua City

3.1 Rural cadres should have strong awareness of serving the people One of the keys of establishing cooperatives in non-professional agricultural production villages is that officials of local committees should have the sense of responsibility and mission of serving the people heart and soul. Everything from the establishment of the cooperative till its operation and maintaining won't be achieved without the painstaking endeavor, the coordination and communication with all sides as well as the awareness of serving the people of local rural cadres. Rural cadres should think what is on the people's minds and worry what are the people's worries. They should indeed practice the principle that the party is built for the public and it exercises state power for the people and persist in taking reality as their starting point and going deep among the masses as well as being from the people and to the people. Rural cadres should understand that villagers' interest is the interest of the whole community

(To page 56)

sponsibility net, fully express its effect. We should restrict opportunistic behaviors of suppliers through formulating standard specification of production and marketing order management. Meanwhile, provide low-price food quality safety information from strict certification system, practically embody responsibility of government in public management^[8] to maintain marketing fairness.

3.3 Improving the situation of information asymmetry of food safety Information asymmetry of food safety and inadequate supervision of government are also main reasons of food safety issues of rural areas of Northern Jiangsu. So, it is necessary to enhance cultural quality and food safety awareness of villagers, deepen information open, improve the situation of food safety information, and increase supervision and support of government.

3.4 Accelerating economic construction of rural areas of Northern Jiangsu, improving income and living standard of peasants The economic position of villagers makes them as vulnerable groups in the process of consumption. Low-end markets focus on rural areas, consumption goods of peasants are generally low-end. It not only makes rural areas be the worst-hit areas of forged and fake commodity, but also shows that the total economic level of peasants is low. However, if rural economy is growing and the peasant income is improving, their purchasing psychology with "price factor" as the core will be changed to a large extent. Pay more attention to quality of commodities and degree of satisfying their own needs. Therefore, it needs to increase financial input and policy support of Northern Jiangsu, and promote peasant income by all manner of means. It is also conducive to increasing comprehensive quality of peasants changing consumption concept of peasants

(From page 53)

and the improvement of villagers' incomes, the advancement of living conditions as well as the development of the collective economy of the village are the job of the committee. There is no way that rural cadres can be in the position only for their own profit.

3.2 Governments at all levels should energetically support the establishment and management of rural cooperatives

The establishment and operation of cooperatives of non-professional agricultural production villages can not be done without governments of the city, the county and the town. They must be based on these three levels. Governments at all levels should guide and support the establishment and operation of the cooperative with both labor power and financial resources. For example, governments can regularly send technical personnel to go to the countryside, provide various kinds of information and held regular trainings for cooperative members. Besides, they can also allocate certain funds in advance each year for the maintaining and development of the cooperative and decrease agricultural loan interest. In conclusion, government at all levels should pay great attention to the operation and development of cooperatives of non-professional agricultural production villages and make pol-

in unconsciously influences. In the long run, it is the foundation of solving food safety issues in Northern Jiangsu.

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icies which are beneficial to the consolidation and advancement of the cooperative. Governments at all levels should fully understand that the construction of an all round well-off society in Fenghua City can only be accomplished with the increasing of peasants' incomes, the healthy and ordered development of agriculture as well as the strengthening of the overall power of the countryside. Hence, the achievement of building a harmonious society in Fenghua City.

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