

Dilemma and Path Selection of the Integration Development of Small Farmers and Modern Agriculture in China

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Abstract: In China, the number of farmers whose business scale is less than 50 mu has reached 230 million, accounting for about 97% of the total number of farmers. The cultivated land area accounts for about 82% of the total cultivated land area in China, and the average cultivated land area of each household is about 5 mu. With the development of market economy, small farmers are faced with many difficulties, such as unequal market status, insufficient financing capacity, difficulty in financing, weak connection between the interests of the new agricultural business entities and small farmers, and imperfect system and law. Small farmers play a "stabilizer" role in Rural Revitalization. How to realize the integration of small farmers and modern agricultural development is the key to the smooth realization of rural revitalization, and is also an important content of high-quality development of modern agriculture.

1. Introduction

Since the implementation of the household contract responsibility system, China has always taken the family as the basic unit of agricultural production. The development of modern agriculture can not and can not avoid this business model. For 230 million land contract households, family management is the main force in the process of realizing modern agriculture, and it is also the key to success or failure. Scholars at home and abroad generally agree that the promotion of modern agriculture should adhere to the basis of family management. [1]Kong Xiangzhi (2013) attributed the basic conditions of China's agricultural modernization to more than 200 million small farmers under the household contract management system. [2]Markelova et al. (2010)Resource endowment and scale of operation are not the preconditions of agricultural modernization. Scattered small farmers lack scale benefits, face higher production and transaction costs and lower profit margins; [3] Wiggins Et al., (2010) lack of access to relevant information and services, [4] Han Jun (2014) demonstrated from the perspective of China's resource endowment that the modern agricultural model of coexistence of large-scale farms and small farmers is not suitable for China's reality, which determines that China must adhere to the family management as the basis. From the perspective of the relationship between modern agriculture and family management, [5]Jiang

Changyun (2013) stressed that the household management of farmers is in terms of agricultural production links. However, from the perspective of developing modern agriculture, modern agriculture is more from the perspective of industrial chain and industrial system, and traditional agriculture is more emphasis on the production field. [6]Wang Xiao (2020) believes that rural revitalization requires the organic connection of small farmers and modern agricultural development, so as to realize the shared development of farmers. [7] Zhao Boxiong (2017) the reasons for the decline of small farmers' income caused by market-oriented behavior may include the following aspects: lack of key cultivation and breeding technology and knowledge, small land area restricting the play of scale efficiency, lack of capable people and leaders to become rich and information block. [10]

In reality, many farmers in rural areas, through the innovation of management forms, promote the development of agricultural modernization on the basis of not carrying out land circulation and changing the main body of agricultural management, and have explored a variety of agricultural modernization roads with ordinary farmers as the main body.

2. The dilemma of the integration of small farmers and modern agriculture

2.1 The market status of small farmers is unequal

For ordinary small farmers, because of their own weak strength, asymmetric information, high transaction costs and low level of production standardization, it is difficult for them to take the initiative in the process of facing the large market, and they are often the party suffering losses. In the face of fierce competition from many suppliers of agricultural products in the market, the weakness of its own strength is mainly manifested in its low ability to influence prices. Product sales are often faced with price squeeze, and when their interests are damaged, they can only watch. They do not have the conditions of market negotiation, so the purchasers of agricultural products form an absolutely oppressive "buyer's market", and small farmers are easily manipulated in the market. This reflects the unequal status of small farmers in the process of facing the big market. Limited by their own conditions, small farmers have neither the strength to form new industries and new formats, nor the power to adopt new varieties and new technologies in time, which makes it more difficult to realize the ability of standardized production, brand management and mass supply; At the same time, in the market competition, small farmers are squeezed in the low income planting links, especially in the food production links. The high-income non grain crop planting and breeding industry is basically monopolized by large-scale enterprises. The small-scale and part-time business of small-scale farmers tend to be more common.

2.2 The financing ability of small farmers is insufficient and difficult

Because of the uncertainty and risk of agricultural production, the power of capital flow to agricultural production is insufficient. Agricultural production is different from industrial production, which has a long production cycle, and faces natural risks, farming risks and market risks in the production process, and the yield and quality cannot be guaranteed with certainty, which makes it difficult for farmers to pass the risk assessment of loan objects by banks; in addition, the financing cost of small farmers is high. Different from the large-scale operation of large farms, small farmers are in a weak position in the capital market, just like the operation market and circulation market. The production and operation activities of small-scale farmers are scattered, and it is difficult to unify in time and space. Moreover, they lack standards. In the capital market, they are also in the passive acceptance of price. High cost financing can not make up for the low income of agricultural production and operation.

2.3 The interests of the new agricultural business entities and small farmers are not closely linked

With the advantages of capital, technology, information and channels, the new type of agricultural business entities enter the agricultural countryside, and small farmers can not compete with it, and even become the object of interest exploitation and risk transfer. Some new-type agricultural management entities are more concerned about the operation efficiency, and pay less attention to driving small farmers, so it is difficult for small farmers to effectively share the fruits of agricultural modernization development. According to the survey, most of the new industries and new formats are dominated by industrial and commercial capital. Some industrial and commercial capital and farmers are just simple labor employment relations, asset leasing and product trading relations, which have a certain crowding out effect on small farmers and affect their development opportunities to a certain extent.

2.4 Imperfection and deficiency of system and law

In terms of capital, labor and other production factors, the policy preference for the city leads to a large number of production factors flowing out from the countryside, which makes the resource structure between urban and rural areas more unbalanced, and small-scale agricultural production can not effectively enjoy the policy support of agricultural production. Secondly, the mechanism in the policy operation is not perfect. Taking the implementation of farmers' professional cooperatives as an example, the state has spared no effort in policy support for the establishment of cooperatives. However, in the real operation, there are many problems, such as shell cooperatives, counterfeit cooperatives, etc., and the proportion of normal operation is about 20%, so that small farmers can not enjoy the policy dividend. To a certain extent, this reflects that there are problems in the implementation of relevant laws, which can not be implemented in place, and can not protect the vital interests of small farmers in specialized cooperative organizations.

3. The path choice of the integration of small farmers and modern agriculture

3.1 Cultivate and strengthen new business entities.

Efforts should be made to cultivate a number of business entities with driving ability to accelerate the industrial development, and absorb large-scale farmers, leading enterprises, farmers' professional cooperative organizations, returning home entrepreneurs and college student village officials into the new business entities. Support farmers' professional cooperatives to establish agricultural science and technology areas independently or jointly to drive small farmers to learn and apply science and technology; support leading enterprises in agricultural industrialization to shape brands, and promote small farmers to build and share regional brands through interest linkage mechanisms such as assets, shares and services; We should support new business entities to set up exclusive stores, develop e-commerce, drive small farmers to effectively connect with the market, and solve the problem of small-scale farmers' strong sales and weak sales. We should actively guide all kinds of business entities to take the "express" of modern agriculture through the driving mode of technology spillover, brand spillover and industrial premium. We should open up channels for linking small farmers with the market. First, production alliance, encourage new business entities to carry out production alliance with small farmers, promote the standardization of production and the characteristics of products, and develop "one village, one product" Second, brand driven, encourage new business entities to adopt the mode of "enterprise (cooperative) + peasant household" to promote the deep integration of farmers and the market; third, marketing driven, encouraging all

kinds of new business entities to drive small farmers to enter the market, relying on "selling well" to force "planting better" to improve the industrial value chain.

3.2 Promoting agricultural production capital financing

We should improve financial services to meet the financial needs of small farmers. We should vigorously develop financial service organizations for small farmers, increase the development of financial service products for the actual needs of small farmers, and carry out differentiated financial customized services. In addition, the government departments should also incline to small farmers in financial support, so as to stimulate their autonomy and enthusiasm in agricultural production. We should speed up the introduction of financial products in the field of agricultural production, establish agricultural standard financial market, determine the scope of farmland right mortgage, and stabilize the farmland contractual management rights, so that agricultural loans can have stable mortgage objects, determine the price with the right, and enhance the ability of small farmers to resist capital risks in the market. Taking the implementation of "Rural Revitalization Strategy" as an opportunity, we should fully tap the multiple functions of agriculture, drive small farmers to develop secondary and tertiary industries, and expand the income chain.

3.3 Improve the interest linkage mechanism and give full play to the demonstration of new business entities

We will support new-type entities to promote the common development of small farmers through various forms, such as order purchase, guaranteed dividend, secondary rebate, stock cooperation, employment absorption, and village enterprise docking. Encourage the new main body to extend the industrial chain, guarantee the supply chain, improve the interest chain, and bring the small farmers into the modern agricultural industrial system through the forms of "company + farmer", "company + cooperative + farmer". Adjust the relevant policies, take the number of small farmers driven by the new main body in the form of contract or equity, and whether to establish a stable interest link with small farmers as the necessary conditions for applying for financial support, so as to enhance the internal incentive of the new subject to introduce small farmers into the modern agricultural development track.

3.4 Innovating the policy mechanism to support the development of small farmers

The first is to assess the new business entities quantitatively, taking the driving and benefit sharing degree of leading enterprises and new business entities of agricultural industrialization on small farmers as the assessment index of government support for various new types of main bodies. Second, innovate financial support methods, gradually expand the coverage of agricultural insurance in our province, and provide risk protection for small farmers. The third is to convert shares to quantify government support funds, so that funds can be changed into stock funds, and small farmers can become shareholders. They can participate in the industrialization chain and share more dividends and dividends.

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