

Research on the Operation and Management of Farmer Specialized Cooperatives

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Abstract: Since the Third Plenary Session of the Eleventh Central Committee, the household contract responsibility system has been widely implemented. Farmers have regained full autonomy in their management and generated unprecedented enthusiasm for production, which accelerated agricultural development and significantly improved their production and living standards. In the new era of socialist construction, rural economic development occupies a core position and farmer specialized cooperatives are an essential measure to develop it. This paper analyses and studies the problems existing in the operation and management of farmer specialized cooperatives, hoping to provide reference for their establishment.

1. Introduction

At present, the development of farmer specialized cooperatives is relatively backward. There are many problems in management, such as lack of awareness, inadequate leadership and ineffective implementation of policies. This has seriously affected the healthy development of rural cooperatives and hindered the development of rural economy. This paper studies the problems existing in farmer specialized cooperatives, and puts forward some measures to promote their development, hoping to strengthen their construction and provide their development level.

2. Problems Existing in and Solutions of the Operation and Management of Rural Specialized Cooperatives

2.1 Problems Existing in the Management of Farmer Specialized Cooperatives

2.1.1 Lack of Leadership

At present, there is insufficient leadership coordination mechanism in many farmer specialized cooperatives and no special leadership departments solving the problems arising in the development, which results in the small scale, weak strength, lack of market advantages, lack of cohesion and attraction, and is not conducive to the healthy development of farmer specialized cooperatives.

2.1.2 Lack of Correct Understanding

Some departments and cadres have not correctly recognize the important role of farmer specialized cooperatives in rural development and lack positive attitudes. Therefore, it is difficult to provide effective support and guidance for cooperatives, leading to the failure of the state's preferential policies for cooperatives to effectively implement. For example, if cooperatives do not have valid collateral when lending, it will affect the loan. Income from farming, forestry, fishing, animal husbandry and other projects can be reduced or exempted from income tax, and preferential policies such as reducing the income tax of tea, flowers and other industries by half. The state stipulates that cooperatives can declare their income as 0 at the beginning of their operation and get tax relief. After formal production, they will have strict accounting and preferential tax relief from the national financial system of the safe country. However, in the actual process, many cooperatives have not been accounted for according to the standards of the safe country, so it is difficult to

implement the tax preferential system.

2.1.3 Insufficient Implementation of Measures

The measures taken by farmer specialized cooperatives are not sufficient. Many cooperatives develop blindly without clear goals and ideas. Meanwhile, the internal management system and charter are not perfect. Many management measures are formalized, and the operation of members' congresses, councils and supervisory boards is not standardized. Moreover, the financial management and risk guarantee system of cooperatives are not perfect enough. Equity rights, interests protection and distribution fail to meet the legal requirements of farmer specialized cooperatives.

2.1.4 Unsmooth Communication

The lack of communication and assistance is mainly manifested in the poor information exchange between the two departments of agriculture and supply and marketing. They develop and guide cooperatives in their respective ways. They are not clear about the scale, industry and membership of cooperatives, which affects the decision-making effect of the government. Moreover, many cooperatives were established for the purpose of drawing state subsidies, which distorted the original intention of their development, that is, to solve the practical difficulties of rural production and operation, to promote farmers to enter the market, to increase their income and to achieve a well-off life.

2.2 Solutions of the Operation and Management of Rural Specialized Cooperatives

2.2.1 Establish Institutions to Strengthen Guidance

First of all, rural areas should strengthen the leadership of farmer specialized cooperatives, establish special office groups, provide specific coordination services for the development of farmer specialized cooperatives, establish leading groups formed by agriculture, supply and marketing, civil affairs, industry and commerce, local taxes and other departments, carry out development planning from time to time, implement various measures, and provide unified guidance and coordination for farmer specialized cooperatives.

2.2.2 Persist in Development and Strengthen Guidance

In the development of rural cooperatives, it is essential to strengthen the guidance of their development direction and management mode, and enhance the government's guidance of public work to promote their healthy development on the basis of the actual requirements of farmers. Firstly, it is essential to intensify publicity efforts to raise farmers' awareness of rural professional cooperatives through various forms such as information publicity, meetings and lectures, and a good job in deepening rural reform and promoting rural economic development by building rural professional cooperatives. Secondly, education and training should be strengthened for members of cooperatives. Through various ways and forms, members of cooperatives are able to receive better education and training, grasp the operation principles and methods of the modern cooperatives, familiarize themselves with the relevant policies of the Party, and timely understand the new knowledge of modern agriculture and market economy. Thirdly, the normal rights and interests of rural cooperatives in their business activities need to be ensured. Through cooperation of various functional departments, the guidance is strengthened to do a good job in service and coordination. Fourthly, it is of great significance to pay for finance, taxation, credit and other aspects, and give support to the appropriate special funds.

2.2.3 Set Up the Typical and Promote Demonstrations

In the development of farmer specialized cooperatives, the government is required to set up the typical and provide demonstrations for the development of farmer specialized cooperatives on the basis of farmers' wishes. Relevant departments should do a good job in guiding, supporting and serving farmers to provide more models of affordable agricultural cooperation. Through meetings, news reports, visits and other forms, they are able to sum up and promote their experience and play

a leading role.

2.2.4 Normative Operation of Detection

In the process of establishment and development of farmer specialized cooperatives, it is essential to adhere to the principle of “private running, civil management and people’s income”, recommend the development of farmer specialized cooperatives step by step according to local conditions, and gradually form a standardized operation mechanism. Firstly, it is feasible to organize and improve the management mechanism. Secondly, it is suggested to gradually establish the mechanism of distribution of interests, taking into account all aspects of etiquette relations. Finally, in order to clarify the rights and obligations of farmers in cooperatives, it is important to improve the democratic supervision mechanism and make the management, decision-making and financial affairs of farmer specialized cooperatives open and transparent.

3. Measures to Further Improve the Management Level of Farmer Specialized Cooperatives

3.1 Several Relationships That Need to Be Correctly Dealt with in the Management of Farmer Specialized Cooperatives

3.1.1 Correctly Deal with the Relationship between Government and Farmer Specialized Cooperatives

First of all, it should be clear that cooperatives are not subsidiaries of the government, but autonomous and independent legal persons and independent market subjects. The relationship between cooperatives and the government should operate in accordance with the principle that the government regulates and manages the market and that the market guides the production and operation of cooperatives. In the process of the operation of farmer cooperative construction, the government should play the role of macro-control, ensuring that cooperatives have a good legal system, and create a good market environment. The government needs to actively address the development experience of other countries and provide preferential policies in anti-monopoly policies, taxation and credit to support the development of cooperatives.

3.1.2 Correctly Deal with the Relationship between Service and Profit of Cooperatives

In the operation and management of farmer specialized cooperatives, it is forbidden to aim at making internal profits. On the contrary, it is necessary to provide members with free information, technology and agricultural materials, mainly in the form of protection price, lowest price or second rebate, so as to bring benefits to members as much as possible and safeguard their interests. Externally, maximal profits are pursued and the nature of profits is emphasized, so as to better serve the members and promote the development of cooperatives.

3.2 Principles to Be Adhered to in the Operation and Management of Farmer Specialized Cooperatives

3.2.1 Adhere to the Principles of Adapting Measures to Local Conditions, Diversifying Forms and Standardizing While Developing

The establishment of farmer specialized cooperatives must be based on the local actual situation and the local farmers’ development needs. It is especially important to make use of the local economic development characteristics to create farmers specialized cooperatives in line with local development by relying on local specialties and leading industries, and constantly expand the scale of development to provide better services for farmers. In the development and operation of cooperatives, we should not stick to one form, but create diversified forms. Moreover, mobilizing the enthusiasm of all parties is of great significance to encourage the farmers, rural economic people, agricultural products processing and marketing enterprises, agricultural technology promotion, basic supply and marketing cooperatives, village collective economic organizations and other main bodies to jointly establish cooperatives. In order to realize the good development of farmer specialized cooperatives, it is also essential to pay attention to the diversification of organizational

forms and cooperative contents, and create a diversified service system to meet the development needs of farmers. The creation of farmer specialized cooperatives should not only provide technical guidance and services for farmers, but also be able to participate in market competition. As far as the scope of cooperatives is concerned, it should not only include the cooperation of farmers within the community, but also implement cross-community cooperation. The field of cooperation should also be constantly expanded, gradually involving many links and industries in agricultural production, and standardizing while developing.

3.2.2 Stick to the Principle of Close Interest Linkage Mechanism

The basic purpose of cooperatives is to increase farmers' income and promote rural economic development. Therefore, economic efficiency is the basic goal of farmer specialized cooperatives. The core of interests among members and organizations of cooperatives and between members and members is the surplus distribution of cooperatives. There are two main parts in the formation of the surplus of cooperatives, one is the contribution of members' investment, and the other is the contribution of transactions between members and cooperatives. When distributing earnings, the system of proportional distribution of shares can be adopted, which, according to the principles of cooperative economic organizations, returns part of the transaction volume in proportion in the distribution of earnings and fully mobilizes the enthusiasm of members, so as to improve the cohesion of cooperatives. Profits allocated according to capital should not exceed the total amount of distribution according to work. At the same time, a certain amount of provident fund and public welfare fund should be set up to make up for losses.

3.3 Do a Good Job in Self-Service and Business Activities

The basic purpose of establishing farmer cooperatives is to enrich the members' families, provide high-quality services, reduce the costs of members' market transactions, improve the economic benefits of members, provide protection for farmers' production and operation, and reduce various risks in agricultural operation. In the development of cooperatives, if stronger cohesion and strong vitality is needed, the members should gain certain benefits in the service of cooperatives. Meanwhile, cooperatives should also do a good job in their business activities and set up correct business ideas. Under the condition of market economy, the management of cooperatives should actively draw lessons from the concept of market economy development in the new period, and absorb the concepts of law-abiding, competition, benefit, users, strategy and innovation in the management. In order to promote the long-term development of cooperatives, these concepts are required to cooperate with each other and form an organic whole.

3.4 Strengthen Democratic Management of Farmer Specialized Cooperatives

The democratic management of farmer specialized cooperatives is embodied in three aspects: democratic election, democratic decision-making and democratic supervision. Adherence to the democratic management of farmer cooperatives is an important means to prevent capital control cooperatives. It should follow the principle of proportionality. The voting rights of members should be allocated according to the amount of transactions between members and cooperatives, and the voting rights of each member need to be well restricted. The management of cooperatives must adhere to the principle of labor and employment capital. The operation activities of cooperatives, especially those related to finance, should be made public in a timely manner, ensuring the members' right to know and consciously accepting their supervision.

4. Conclusion

Farmer specialized cooperatives are important means to promote the construction of new socialist countryside. Their development in China is not mature, requiring continuous improvement and development through policy support and self-management.

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