

Organic Connection Between Small Farmers and Modern Agriculture in China: Obstacles and Solutions

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Abstract

As the basic main body of the agricultural production and operation over thousands of years in China, the small farmers have been playing an important role in the agricultural and rural development for a long time. However, the obstacles between the small farmers and the modern agricultural development are gradually appearing with the continuous improvement of productivity, which are mostly reflected in such fields as the technological utilization, the agricultural service, the small farmers' quality and the capital element. From the view of the future development tendency, solutions to break those obstacles mainly include promoting the agricultural technological innovation and the equipment upgrading, developing the small farmers' professional cooperatives, improving the agricultural socialization service system, cultivating the new-style professional farmers, and perfecting the rural financial system.

Key words: Small farmers; Modern agriculture; Organic connection

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INTRODUCTION

The 19th National Congress Report of Communist Party of China definitely points out implementing the strategy of rural revitalization, developing various forms of moderate scale management, and realizing the organic connection between the small farmers and the modern agricultural development. The practice of China's development has proved that as the basic main body of the agricultural production and operation over thousands of years in China, the small farmers are the optimum structure of the agricultural production under the lower social productive force conditions and have been playing an important role in the agricultural and rural development of China for a long time, especially in the fields of the national food security and guarantee, the stable development of the rural society, the inheritance of traditional farming culture, along with the industrial labor source. However, their own malpractices, especially the obstacles between the small farmers and the modern agricultural development, are gradually appearing with the continuous improvement of productivity and the development of socialized large scale production. Therefore, it has been a focus problem paid close attention to by the theoretical circle and the practical circle to solve the development dilemma of the small farmers and promote the organic connection between the small farmers and the modern agricultural development.

1. OBSTACLES OF ORGANIC CONNECTION BETWEEN SMALL FARMERS AND MODERN AGRICULTURE IN CHINA

Compared with the traditional agriculture, the modern agriculture is one agricultural form which has emerged since the industrial revolution, and it is the new phrase in the global agricultural development history. It normally has such characteristics as the productive socialization, specialization, technicalization, commercialization,

marketization and ecologization.¹ The characteristics of the modern agriculture decide that it should be connected with the main body of production and management that could accord with its demands, but the mode of production of the small farmers of China is not fully suitable for the demands of the modern agriculture. The main obstacles of their organic connection are the following four points:

1.1 Technological Utilization Obstacle

The advanced science and technology and material equipment are the key elements of the modern agricultural development, but the application of the advanced technology and equipment usually needs the definite scale production to match it. The cost of a lot of agricultural science and technology and equipment reduces with the expansion of the production scale. Meanwhile, the driving effect on production is also gradually emerging. However, under the framework of the existing family management system of China, agricultural production is mainly undertaken by a large number of small farmers that are scattered distribution. They usually adopt the traditional production mode of the family management and the intensive farming. It is comparatively obvious that the land is fragmented and the use of land is closed and changeless. As a result, the cost of technological progress cannot be effectively shared, and the adoption of advanced technology is hindered to a certain extent. So it is difficult for the small farmers to have the ability to engage in the modern agriculture with high land scale and comparatively high technical application.

1.2 Agricultural Service Obstacle

The production socialization of the modern agriculture requires the corresponding service socialization before, during and after production to match it. Those services mainly include the material supplying, the production service, the information service, the technical service, the financial service, the insurance service, as well as the packaging, transport, processing, storage and sales of the agricultural products. Although the agricultural socialization service system of China has made great progress in recent years, these problems are still comparatively obvious like the unsound agricultural socialization service organizations, the large gap between the service supplies and the small farmers' demands, the imperfect public service ability, the lower service efficiency, and the higher service price, especially the small farmers get less services and assistance in the areas of information, technology, finance, processing, sales, etc. Coupled with the defects of the small farmers themselves, this restricts the realization of the organic connection between the small farmers and the modern agricultural development to a great extent.

1.3 Small Farmers' Quality Obstacle

The practitioners quality is the core element of the modern agriculture development, especially such factors as the

education level, the professional skills and the scientific quality have even a direct impact on the development efficiency of the modern agriculture. Considering the actual situation of agriculture and the rural areas of China, a large number of high-quality young and strong labor forces have been flowing into industry and cities in recent years, and the aging and low-quality characteristics of the surplus labor forces in the rural areas are more obvious, which cannot be suitable for the requirements of the new-style professional farmers. Moreover, the small farmers' quality presents the structural downtrend with the acceleration of the rural labor force transfer, and is far from adapting to the development requirements of the modern agriculture. The data showed, in 2016, 91.8% of the agricultural practitioners of China have only the junior middle school and lower education level, and no more than 7% of the agricultural practitioners in the western and north-eastern areas of China have the high school and higher education level. In rural households, the number of having professional technical titles is only 0.13 per household, and the number of receiving the professional education and training is only 0.32 per household. In addition, the proportion of the small farmers with the basic scientific quality in China is only 1.7%, which is far below the national citizen scientific quality level and has a big gap compared with the requirements of the modern agricultural development.

1.4 Capital Element Obstacle

Capital, the labor force and land are called the three indispensable production factors for the modern agriculture development. Capital is the most important factor among them. It usually has an action of "adhesive" and could effectively combine such factors as the labor force, land, etc., and is of great significance to promote the agricultural and rural modernization construction. Nevertheless, the small farmers of China have a congenital vulnerability in terms of the capital acquisition, and are extremely passive in the connection with the modern agriculture development. First, the property of the small farmers available for financing is limited. Among the major property they own in the form of land, the usage rights of neither the homestead nor the contracted land can enjoy the same treatment as that of the state-owned land, and it is difficult for them to meet the requirements of banks for the loan object. Though the mortgage loans for the management right of the contracted land have been piloted throughout the country since 2016, as things are, whether it is suitable for the large-scale development in China still needs to be further observed. Second, because the financing quantity demanded of the small farmers is small and scattered, the information collection and identification cost is high, and their credit is relatively comparatively low, those further increase the costs and risks of the financial institutions. Consequently, there is a general lack of the financial supply for the small

farmers, and it is difficult for the small farmers to obtain the adequate financial support. Third, compared with such management subjects as the leading enterprises and the professional large households, because of the comparatively small production scale and the lack of the uniform standards, the small farmers frequently tend to be vulnerable in the production and circulation fields, and can often only be the recipient of the financing price, and accordingly pay the higher financing cost.

2. SOLUTIONS TO PROMOTE ORGANIC CONNECTION BETWEEN SMALL FARMERS AND MODERN AGRICULTURE IN CHINA

Aiming at the main obstacles between the small farmers and the modern agriculture in China, at present, those reasonable and effective countermeasures and solutions should be formulated from the key aspects of the technological innovation and the equipment upgrading, the establishment of the professional cooperatives, the construction of the new-style socialization service system, the cultivation of the new-style professional farmers and the improvement of the financial system.

2.1 To Promote Agricultural Technological Innovation and Equipment Upgrading

In view of the obstacle in the technology utilization by the small farmers, the agricultural technological innovation should be first promoted energetically. Combining the characteristics of the small farmers and the new requirements of the agricultural mode transformation and structural adjustment, the technological innovation route suitable for the reality of China should be reasonably selected, and it is necessary to make the key breakthroughs especially in the fields of the modern breeding, the agricultural information, the intensive processing of the agricultural products, the resource saving, and the agricultural product quality safety to improve the technological utilization ability of the small farmers. Second, the agricultural material equipment upgrading should be promoted, and the agricultural equipment level should be continuously improved and advanced, especially the mechanization level. The optimal allocation of the agricultural machinery structure should be sped up, and the scientific and technological content of the agricultural machinery should be improved. The production mechanization of the main crops should be vigorously promoted, and the land output rate, the labor productivity and the resource utilization rate should be put up.

2.2 To Develop Small Farmers' Professional Cooperatives.

Establishing the small farmers' organization is an

important prerequisite for the realization of the agricultural modernization of China, and developing the professional cooperatives is the key measure to improve the organization level of the small farmers. The professional cooperatives should be vigorously developed through a lot of ways. Not only the government should continue to play an important role in the cooperative establishment, but also the private subjects such as enterprises should be mobilized to participate it actively. In particular, it should be paid to attention to arouse the initiative and demonstration effect of the rural capable people, the planting large households, the returning entrepreneurial personnel who go out to work, and so on, and to guide the small farmers to carry out different forms of cooperation to strengthen the risk resistance and market competition capacity of the small farmers.

2.3 To Improve Agricultural Socialization Service System

In order to provide high-quality agricultural social service for the vast number of small farmers, the construction of the new-style agricultural socialization service system should be accelerated which combines the public welfare service with the operation service and coordinates the special service and the comprehensive service. The measures such as the financial support, the tax and fee concession, and the credit support should be taken actively. A diversified agricultural service subject should be fostered and developed, and the service ability of all main bodies, especially the leading enterprises, should be improved. We should guide the leading enterprises to improve their service awareness in an all-round way and actively invest in the high-level enterprise resources to provide the comprehensive services for the small farmers. The individual form of social service organization should be constantly perfected and standardized. The beneficial complementary function of the private service subjects in the agricultural service system should be taken seriously and exerted. The service modes like the cooperative mode, the order mode and the trusteeship mode should be carried out. The agricultural socialization service system should be perfected and improved.

2.4 To Cultivate New-Style Professional Farmers.

Increasing the human capital investment and cultivating the new-style professional farmers are the fundamental measures to promote the organic connection between the small farmers and the modern agriculture. The basic education and the professional education in the rural areas should be vigorously developed. The small farmers should receive various forms of vocational skill and knowledge training to improve their vocational quality. We should focus on the cultivation of a group of the new-style professional farmers who love agriculture, know technology, are good at operation, especially are full of the craftsman spirit, the elite consciousness and the

entrepreneurship from the planting large households, the returning migrant workers and the rural college graduates, and make them the effective strength to promote and drive the small farmers. The relevant law and regulation system should be perfected to establish the legal guarantee for the cultivation career of the new-style professional farmers and make the cultivation work of the new-style professional farmers have laws to follow.

2.5 To Perfect Rural Financial System

In order to solve the problem of the lack of capital and the poor financing of the small farmers, great efforts should be made to reform and perfect the rural financial system to provide the sufficient funding sources for the small farmers. We should foster the diversified subjects, construct a financial system combining the policy finance, the commercial finance and the cooperative finance, and ceaselessly expand the scope of the financial support for agriculture. The admittance criterion should be moderately broadened, and the new-style rural financial institutions should be vigorously developed. We should encourage and guide more qualified new-style financial institutions to participate in the process of the modern agricultural development, with particular emphasis on supporting the development of micro-credit. We also should attract the social capital to participate in the construction of the private finance, promote the development of the rural private finance, properly control the interest rate of funding, and guide it to enter the track of the standardized operation.

CONCLUSION

As an important force in the economic and social development of China, the small farmers have played an irreplaceable role in promoting the rapid development of agriculture and the prosperity and stability of the rural society in China, which has been proved many times by the practice of China's development. However, with the progress of productive forces and the advancement of deepening the reforms in an all-round way in China, the obstacles between the small farmers and the modern agricultural begin gradually appearing, especially those disadvantages of the small farmers including the high

technology utilization cost, the weak self-service capacity, the low professional quality and the lack of capital element have hindered the further development of the modern agriculture to a certain extent. In recent years, China has taken many measures to break and solve the obstacles in the organic connection between the small farmers and the modern agriculture, and has also made great achievements. However, these measures have not fundamentally improved the survival and development present situation of the small farmers. From the perspective of the future trend, priority should be given to promoting the agricultural technological innovation and the equipment upgrading, developing the small farmers' professional cooperatives, improving the agricultural socialization service system, cultivating the new-style professional farmers and perfecting the rural financial system so as to improve the self-development ability of the small farmers and promote the organic connection between the small farmers and the modern agriculture.

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