

Analysis on the Development Model of Kiwifruit Industry in Dujiangyan from the Perspective of Multi-subject Co-Governance

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Abstract: In order to promote the reconstruction work after Wen Chuan earthquake, Du Jiangyan introduced the "Park + Owner" industrial development model to develop the local kiwifruit industry. Which highlights the concept of multi-subject co-governance, realized by local governments, enterprises, cooperatives and farmers through the establishment of formal and informal co-ordination relations. Based on the on-the-spot investigation and further analysis combined with the theory of co-governance, we found that the "Park + Owner" model lacks coordination mechanism, rationality at the institutional level, while the role imbalance, cognitive bias and trust crisis appear at the relational level. Therefore, in order to achieve the true sense of multi-subject co-governance, it is necessary to pay attention to the relationship between actors and identity governance, to actively promote policy support and administrative empowerment, and establish a long-term mechanism of supervision and management.

1. Introduction

Kiwifruit planting in Dujiangyan [1] began at the end of 1980s. Since the Wen Chuan big earthquake in 2008, in the process of post-disaster reconstruction, the local government has taken the lead in making scientific planning for the agriculture of towns and townships in the area under its jurisdiction, focusing on the development of Kiwifruit industry. After nearly ten years of development, the kiwifruit planting base in Dujiangyan has formed about 115,000 mu in 10 key towns. Dujiangyan adopts the "big Park + small owner" kiwifruit industry development model, embedding agricultural cooperatives in the process of kiwifruit industry development, to form a "market-based decentralized governance model"[2].Through the cooperative way, the kiwifruit industry in Dujiangyan begins to rise gradually, and plays a very important role in the recovery and development of the industry after the disaster. However, during the past three years, great changes have taken place. Through field visits and observations, we find that some kiwifruit planting and processing enterprises in Dujiangyan City have withdrawn their investment, and some business owners cannot pay the land contract rent of local farmers or even "abandon the factories and fled".

Why does the local kiwifruit industry go bankrupt? Are there any problems or loopholes in the

implementation of the Kiwifruit Industry Development Model in Dujiangyan? How to effectively deal with such problems? From the perspective of Co-governance of local government, relevant enterprises, cooperatives, farmers and other actors, this paper analyses the development of kiwifruit industry in Dujiangyan as a model of market-based decentralized governance, and the problems and examines defects exposed in the process of practice, and its relevant solutions.

The concept of collaborative governance was first put forward by Americans in the 1960s. At first, collaborative governance mainly refers to intergovernmental cooperation. Since then, with the continuous evolution of group theory, deliberative democracy began to rise and develop rapidly. Cooperative governance, according to Kirk Emerson, refers to the process and structure of public policy decision-making and management, which enables people to constructively cross the boundaries of public institutions, government hierarchies and public, private and municipal spheres to achieve public goals that cannot be achieved in other ways.[3] He defines the subject of collaborative governance as "multi-partner governance", which includes cooperation among the state, the private sector, civil society and the community, as well as collaborative government and mixed arrangements such as public-private partnerships, private-social partnerships and common management systems. In this case, the government, enterprises, co-operatives, farmers and other stakeholders coordinate cooperation to promote the sustainable and stable development of kiwifruit industry with the help of the "big Park + small owner" development model. In the process of practice, all participants have actual responsibility for the development results in the model, and the completion of the target task requires the participation of all actors in consultative governance.

With the model of "Big Park + Small Owner" of Kiwifruit Industry in Dujiangyan, the development of kiwifruit industry in Dujiangyan centralizes the land transfer of local farmers, which actively promotes the operation mode of land counter-contract.[4] It is a line of production, supply and marketing integrated by relevant companies to expand markets, base production products, co-operative unified management and farmers' specific field management. The division of labor is clear and the advantages of each farmer are brought into full play, so as to optimize the allocation of resources, solve the problem of difficult sales of farmer's products, and alleviate the contradiction between small production and large market.

Through on-the-spot investigation and interviews, we find that there are three main development paths for the kiwifruit industry in Dujiangyan: first, the enterprises directly invest in contracting land, building gardens and setting up factories, and are responsible for the various links of Kiwifruit cultivation, production, picking, packaging and wholesale sales; second, the local kiwifruit growers sign cooperation agreements with the relevant enterprises. Third, farmers adopt the individual management mode of self-production and self-marketing. From the perspective of planting and operation scale, "the peasant households have scattered planting area of more than 90,000 mu, accounting for more than 80% of the total planting area of Kiwifruit in Dujiangyan." [5]

2. Problems of "Park + Owner" Model

Lack of overall coordination mechanism. The decentralized management of farmland requires multiple subjects participating, but the lack of government coordination mechanism leads to insufficient supply of public interests in rural areas. The industrial model of "Park + Owner" is mainly based on direct or indirect cooperation between enterprises and local farmers. The cooperative cost between enterprises and farmers is fragile and temporary. Once the government lacks overall coordination, it cannot effectively play a leading role in cooperative governance, and industrial development model of cooperative governance will face huge obstacles, or even fail.

Lack of rationality and scientificity. The decentralized governance model of "big Park + small owner" pays attention to market principle, benefit principle and voluntary principle, but neglects the

rationality and scientific factors, which leads to the low initiative of local farmers to participate in decentralized governance and little economic benefits. Local peasant households, usually sign a guarantee agreement to contract land at a lower rent, but they can't enjoy the enterprise dividend, and only are employed by enterprises as temporary workers for a short time, which, to a certain extent, reduces the income of peasant households, and the relationship between enterprises and peasant households is fragile and difficult to sustain.

Loosely structured and less organized semi-cooperatives. The Kiwifruit Industry Development Model of "Park + Owner" in Dujiangyan City is neither a complete cooperative model nor a single small-scale peasant economic model, but a combination of agricultural cooperatives, enterprise base planting and individual household planting. Therefore, the development model of kiwifruit industry has some defects, such as low degree of organization, loose structure, decentralization and fragmentation. It is difficult to be integrated in a wide range of areas, and different villages have different situations, so it is difficult to centralize the overall management.

The role of imbalance. In the whole process of industrial development, the local government has invested a lot of energy in the early stage of policy planning, special financial allocation, financial subsidies, investment attraction, and infrastructure construction, etc. The interaction between the government and enterprises, government and farmers plays a crucial leading role in the early stage of the establishment of kiwifruit industrial base. However, in the middle and late stages of industrial development, the role of local government gradually weakened, and the interaction between enterprises and farmers begin to occupy a dominant position. In the late stage of industrial development, without the overall coordination of the government, the problems between kiwifruit enterprises and individual farmers become more and more prominent, which ultimately leads to the serious consequences of the failure of the multi-subject co-governance model.

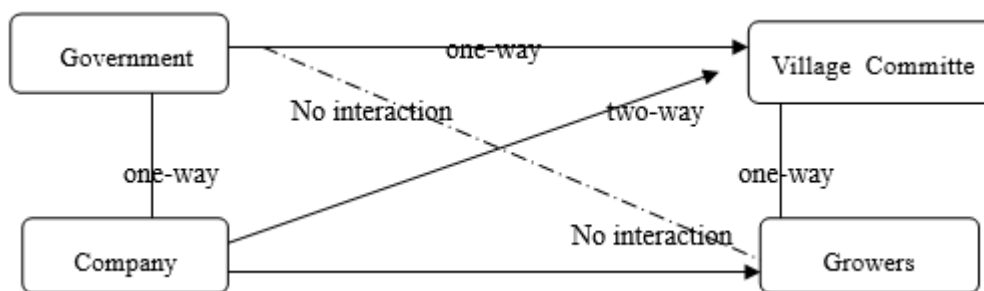


Fig.1 multi-subject co-governance model

The cognitive bias. There is a lack of interaction mechanism among local government, enterprises and farmers, and communication barriers and cognitive deviations have emerged among various actors. When individual farmers sell their products in violation of regulations, relevant enterprises believe that farmers have low education level and can't fully trust individual farmers. At the same time, peasant households do not take responsibility for the development of enterprises, and have a sense of acquisition and identity, it's to the interaction between local government and enterprises, the government believes that in the early stage, it has provided sufficient support for enterprises through policy support and financial subsidies, and no more administrative intervention is needed. Enterprises hope that the government can intervene in the management and development of kiwifruit base for a long time to solve various problems.

The crisis of trust. Due to the lack of trust mechanism, agricultural cooperatives become a mere formality, and the cooperatives in the model have not played a practical role. At the later stage of Kiwifruit cultivation, there are more and more individual business retail investors, and function of agricultural cooperatives is declining. The selling time and price in the models of individual businesses can be controlled freely, so more and more retail farmers prefer to quit cooperatives and

sell their own products. After the breakdown of the cooperative link, the relevant enterprises cannot establish acquisition cooperation relationship with local retail farmers, and the price and quality of kiwifruit cannot be effectively guaranteed.

3. Countermeasures

Governance of the relationship between actors. The industrial development model of "park + owner" is more complex than that of "enterprise + peasant household", which includes the interaction between enterprises and cooperatives, enterprises and peasants, enterprises and village committees and local governments, peasant households and village committees. All actors should consider the interaction effect of trust and interdependence in potential cooperation. Local governments should also pay due attention to the interests of local farmers, increase mutual benefit and flexibility.

Identity governance among actors. It includes the identification of multi-subject co-governance model, the identification of the cooperation form of "park + owner" and the organizational identification of cooperatives, so as to enhance organizational cohesion and identity. By encouraging individual farmers to participate in the development of enterprises and parks, strengthening the responsibility and enthusiasm of farmers to participate in the development of enterprises and parks, and closely linking the relationship between farmers and enterprises, we should increase farmers' sense of organizational identity and belonging to enterprises.

Policy support and administrative empowerment .As a provider of public services and public goods, the government should play a key role in the model. By introducing relevant preferential policies, the government should provide appropriate policy support and material incentives for enterprises and farmers to sign long-term cooperation agreements. In addition, we should promote the relevant administrative empowerment, establish professional organizations, formulate relevant standards and systems, and further coordinate and standardize the management of cooperatives planting retail investors and enterprises.

Grass-roots supervision and management mechanism. The scope of supervision should not only be limited to rural areas, but also cover production, management, circulation and other spatial areas. We should further improve the relevant supervision and restraint mechanism of grass-roots governments in fulfilling their economic functions, resolutely implement the democratic management of cooperatives, and strengthen the democratic supervision and the restraint of the relevant agricultural departments and grass-roots governments by the supervisory committee composed of farmers, enterprises and third-party organizations.

References

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