

# A Literature Review on Rural Collective Economy

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## Abstract

**Rural collective economy is an important starting point to promote rural revitalization. To develop rural collective economy in the new period, we must overcome various problems and find out the new forms and methods of developing rural collective economy. Starting from the literature related to rural collective economy, this paper reviews the meaning of rural collective economy, the realization form, necessity, problems and countermeasures of rural collective economic development, and finally makes a review of rural collective economy and puts forward prospects.**

## Keywords

**Rural Collective Economy; Rural Revitalization; The Realization Form.**

## 1. Introduction

The report of the 19th National Congress of the Communist Party of China clearly proposed to "implement the rural revitalization strategy, deepen the reform of rural collective property rights system, protect farmers' property rights and interests, and strengthen the development of collective economy". The rural revitalization strategy is a major strategic plan for China's agricultural and rural development, and an important strategic guide for the future rural development, and the development of collective economy is a favorable starting point to promote this strategy. It has been four years since the rural revitalization strategy was put forward, and China's rural economic development is facing new challenges and opportunities. Under the leadership of the communist party of China, the country's historic eliminating absolute poverty, and all the people in the common prosperity of the avenue and a huge step forward, but due to the gap between rich and poor in China is still very big, people's demands for growing a better life, uneven and not the contradiction between the all-round development is more and more obvious in rural places of China, although in rural areas has broad space for development, But the level and quality of development are still low. Issues concerning agriculture, rural areas and farmers concern the national economy and the people's livelihood, as well as national security. To better solve problems related to agriculture, rural areas and farmers, we must fully implement the rural revitalization strategy. At the same time, the fundamental purpose of our government's design, construction and implementation of rural revitalization strategy is to promote rural development. At the same time, it is precisely because of the strong vitality of rural collective economy in Our country, so the government emphasizes to promote the vigorous development of rural collective economy. Under the requirements of the new era, promoting the vigorous development of rural collective economy is the most powerful measure to promote the vigorous development of agricultural economy and society, and strengthening rural collective economy is of great significance for consolidating the effect of poverty alleviation of farmers and promoting the stable and healthy development of urban and rural areas. As a result of the vigorous development of rural collective economy will have a huge role, so at present in the Central Committee of the Communist Party of China, The State Council under the high support, many rural areas are constantly actively looking for new ways to expand rural collective economy, new measures, hope to consolidate their own growth with rural collective economy society.

China's basic market economic system is mainly based on the development of public ownership economy as the leading, while emphasizing the development of various ownership economy, which plays an important role in stimulating the vitality of China's economic development and fully mobilizing the development of various ownership economy. Public ownership economy mainly contains two aspects, among which there are state-owned economy and collective economy. Collective economy is an integral part of public economy, which plays an important role in promoting the development of public economy and in building a stable national basic economic system. The rural collective economy mainly refers to some kind of social management combination, and the carrier of rural collective economy is mainly rural collective economic organization. In the rural collective economic organization, the means of production subject also belongs to all the members who have participated in the rural collective, and the rural collective members enjoy the fruits of labor by carrying out common labor activities. Collective ownership originated from the former Soviet Union, was introduced by China, and gradually developed into collective ownership. Rural collective economy also has a great influence in the process of the development of China, in 1978, China's agriculture marketization of economic reform began to gradually enter the stage, which to a certain extent, to promote the development of agriculture in our country market economy and it was also during this period, China's rural collective economy gradually marginalized, produced only "points" is not "system", "points" light "system". Although in the later period, the development of rural collective economy was not put into a more important position, but in practice, some rural areas of Our country, still achieve a certain height of collective economy. For example, Huaxi Village, known as China's "no.1 village under the world", has transformed the rural collective economy from a "sample" and successfully become a banner of China's rural economy development. Another example is Nanshan village with a per capita income of 50,000 yuan. Through the development of collective economy, people have become rich. At the same time, the 14th Five-Year Plan and the vision goal of 2035 also emphasize the need to deepen the reform of rural collective property rights system, further quantify the operational assets to members of collective economic organizations through reform, promote the development and consolidation of a new type of rural collective economy, so as to better promote and deepen agricultural and rural reform. In 2021, the 18th No. 1 Central Government Document comprehensively guiding the practical work of "agriculture, rural areas and farmers" was issued. At the same time, China established the National Agricultural Revitalization Administration, an institution directly under The State Council, and actively promoted the implementation of the rural revitalization strategy. In 2021, the first document of the central government further pointed out that in order to consolidate and strengthen the advanced rural collective economy and comprehensively promote the vigorous development of the new rural collective economy, the reform of the new rural collective property rights system must be completed first. The no. 1 document of the central government also pointed out to improve the management system of the new rural collective property rights, promote the reform of the new rural collective property rights system, and strive to basically realize the reform of the rural property rights system by 2021. At present, China's rural areas are further exploring the new collective economic development model, and will gradually obtain the results of reform and innovation, especially through the implementation of the "integration of primary, secondary and tertiary industries", "company + group + social economy + farmers" and other cooperation models, in order to promote the development and growth of their collective economy, to help the rejuvenation of China's rural areas.

## 2. The Connotation of Rural Collective Economy

The definition of countryside in Cihai refers to the residence of agricultural producers, which are mostly concentrated in villages or scattered fields. However, due to the development of

social productive forces, the number of part-time farmers is gradually increasing, while the gap between urban and rural areas is gradually decreasing. In particular, the development of rural collective economy has led to the improvement of the income level of some rural population, and the rural economy has shown great vitality.

Although there are different views on the connotation of collective economy in China's theoretical circle, most researchers hold that collective economy is a socialist market economic development pattern that belongs to the communist labor group, adopts the common labor system and takes distribution according to work as the main body in the distribution mode. This shows, collective economy is the unique development economic form of our socialist country. People generally divide China's collective economic zone into urban collective economy and rural collective economy. Obviously, rural collective economy is a new economic form that flourishes in China's vast rural areas. Rural collective economy is an important part of China's socialist market economy and has great significance for improving the modernization degree of China's rural organizations. The collective economy is indeed similar to the partnership. The partnership organization refers to a kind of business combination, which is a cooperative community established in accordance with certain rules in order to overcome the shortcomings of the individual economy, while the collective economy is defined from the level of organizational ownership.

The concept of collective economy has a long history. Since the founding of the People's Republic of China, the development history of China's collective economy can be generally divided into two stages. The first stage is the era of agricultural cooperation under the people's communes. The second period was also the period of comprehensive agricultural development after China's reform and opening up, during which the household contract responsibility system was carried out in the vast agricultural areas. During this period, agricultural operation organizations based on families gradually replaced those based on communes. The academic circle usually refers to the collective economy before 1978 as the traditional collective economy and the collective economy after 1978 as the new collective economy. With the further development of The Times, the content of rural collective economy will be enriched and improved. The "traditional" rural collective economy is mainly based on the "socialization of land and concentration of agricultural tools". Through the simple and unified collective ownership and management mode, the smallholders are consciously and effectively "united and organized", centralized labor, unified accounting and unified distribution. The new type of rural collective economy developed vigorously in China is a concrete reflection and effective connection between socialist public ownership and market economy system in agriculture, and a new product adapted to the development level of agricultural productivity under the condition of socialist market economy. It is the continuation and transcendence of China's traditional agricultural collective economy system under the planned economy system, and mainly inherits the intrinsic value pursuit of rural collective economy and the essential characteristics of socialism. At the same time, we focused on absorbing the advantages of the market economy system and made breakthroughs in overcoming existing economic defects, ensuring the efficiency of development and attaching importance to market competition. According to Zhu Youzhi and Chen Wensheng, the new rural collective economy refers to the collective economic development form which is established on the condition that the agricultural collective management system remains unchanged, which is compatible with the socialist market economy system and matched with the agricultural collectivization and intensification organization form. Its emergence and development are not groundless wind, but the product of the development of The Times. The socialist system with Chinese characteristics needs collective economy, and promoting the development of rural collective economy plays an important role in promoting and improving the national system. Sheng Weituo believes that the new type of rural collective economy is mainly refers to through that derived after the

property rights system reform has a clear, clear clear property rights, power and responsibility system and diversified property right structure of the new type of rural collective economy, the social collective company in recent years to reform ownership system as the centre of gravity is continuously deepen reform, promote the development of a new type of rural collective economy. This article integrated the opinion of the experts and scholars believe that the new type of rural collective economy mainly refers to in China's vast rural areas, farmers as main body, through the mutual interests of the connection and collaboration, and the members with clear property right, clear boundaries, through a reasonable governance mechanism, and revenue sharing mechanism, to achieve the fair and harmonious and democratic management a new type of economic management Form. The implementation of the new type of rural collective economic form is not the only, it refers to a Shared ownership, collective labor value and the collective village collective mutual benefits, and emerging rural collective economy is not only equivalent to rural market economy under collective ownership, it also contains on private property right market of family cooperative system and share cooperative system of market economy, and will be Shared The mixed collective ownership market economy with the cross connection of property right and private ownership.

Under the requirements of the new economic era, the implementation of the strategy to promote the revitalization of the country and the development and expansion of the collective economy will inevitably promote the new development of the collective economy is also imperative to enrich the new connotation of the collective economy. With the development of China's economy and society, China's rural collective economy has also shown more forms of realization, so it is necessary to further study the specific content of China's rural collective economy, but also need to explore and enrich in practice.

### **3. Study on Rural Collective Economic Development**

In China's rural collective economy has nearly 70 years of history, through continuous development has a rich form of practice, coupled with the recent years of the state to the development of new rural collective economy, so there are a large number of scholars on the rural collective economy research, research out of the important results. Among them, there are not only empirical studies, but also a large number of theoretical studies, which mainly include the realization of rural collective economic development form, necessity, problems and countermeasures.

#### **3.1. Study on the Realization Form of Rural Collective Economy**

Xiao-na zhao (2020) through the actual go luo state, madoi county, analyzed the special type in the local development of rural collective economy, ecological animal husbandry cooperatives, used in various forms of cooperation, can not only improve the herders in the power of the market and realize the socialization production, use of local unique natural environment at the same time, a nomadic way of grazing production, both maintenance Nature has also improved the rational use of land resources. At the same time, through the development of ecological animal husbandry cooperatives, it has also improved the power of local governments to fight natural disasters, thus making the local rural collective economic management more standardized and organized.

Carnation (2020) mentioned that after decades of development, the realization form of collective economy is not only unique. Size is not the basis for judging collective economy, it mainly emphasizes collective ownership. The realization form of collective economy, the union of capital and labor, "co-farming system" and "union system" are all embodiments of collective economics. She also stressed the socialist collective ownership is not just a model, it is more and diversified in form, and with the improvement of China's rural production of comprehensive ability, collective economy there will be a lot of other countries can do a variety

of forms, but regardless of the form of collective economic change, its core is still is a common labor, public assets, eliminate exploitation and realizing common prosperity. Xiao-ling liu (2021) to analyze the rural collective economy in the form of a typical kind of line, he thought to form our collective economy generally there are three types, the most important of which is a form set wholly owned companies and set a stake in the company, the second is the farmers professional technical combination as the main body to form, which is usually "company + cooperative + peasant household", The third is a more prominent form of realization in recent years - collective assets share cooperation. Zhao Zixin and Lu Chao (2021), through field research in Yuanjia Village, Shaanxi Province, found new forms of the goal of developing rural collective economy. One is a new cooperation method, namely, sharing of three shares, basic shares, cross-shares and adjusted shares. The second is the new economic development method, namely, the integration of the three industries, and the construction of the integrated economic and social growth pattern of "the three industries, the two industries and the one industry"; Third, we should innovate the management methods of market economy, and promote the innovative and vigorous development of local agricultural collective economy with quality, characteristics and integrity, so as to drive the transformation and upgrading of rural collective economy and promote the realization of rural revitalization.

### **3.2. A Study on the Necessity of Developing Rural Collective Economy**

Deng Han (2021) mentioned that it is of great significance to carry out rural collective economic management, which can promote the security of rural collective assets and the steady development of rural economy, so as to better assist rural revitalization. Deng Han: Elaboration on effective Measures to Strengthen rural Collective Economic Management. Management and Science and Technology of Small and Medium-sized Enterprises (Next ten-day Issue), no.1 issue,2021, pp. 44-45. Whereas Zheng Yongsheng (2021) argues that promote the development of the rural collective economy for the current and future agricultural development has great significance in our country, but the current China's rural collective economic development still faces many problems, which is the emergence of the problem, so should pay attention to the study of collective economy development, and give play to the rural collective economic strength to enhance agricultural reform speed, flux Increasing the speed of reform can improve the cohesion and creativity of rural grassroots organizations. Wang Yongyi (2018) emphasizes the development of rural collective economy to improve the household contract responsibility system, strengthen rural basic economic system play an important role, and the development of the rural collective economy plays an important role for strengthening the construction of rural grassroots regime, the development of rural collective economy can improve the level of rural economic development, improving people's well-being, the acquisition, Thus further consolidate the ruling foundation, strengthen cohesion, centripetal force, promote socialist modernization. Tinto trillion ice (2021) argue that the rural collective economy is a major force to promote the development of agriculture, under the current conditions, the Midwest region of China rural collective economic scale is not big, but on improving the economic woes, "shell village", also has important significance to promote the prosperity development, and to promote the rural collective economy industrial transformation and upgrading, rich rural market resources, etc Have many meanings. Jing Hao (2021) emphasizes the comprehensive promotion of rural revitalization, the biggest driving force is to continue to promote rural reform, make overall use of all forces, mobilize all factors, promote and strengthen the new rural collective economy. Promoting the deepening of rural reform and the development of rural collective economy is of great benefit to further liberating rural productive forces and stimulating the endogenous vitality of rural development. After Chen (2021) argue that the rural collective economy development has very important meaning to develop the new type of rural collective economy can fully promote the village economic and social development, can fully improve rural governance efficiency, and plays an important role in promoting rural

revitalization, by developing a new type of rural collective economy prosperous industry can help to consolidate the foundation, To steadily improve the living standards of farmers; Can promote rural health construction, promote ecological livable; We will raise the level of civilized rural development and promote faster and more effective social governance.

### 3.3. Study on Problems and Countermeasures of Rural Collective Economy

Du Jiao (2021) believes that China's rural collective economy mainly faces the following problems: Lack of integration mechanism of the rural collective assets, attracting and motivating leader mechanism is imperfect, evaluation problem such as financial support fund supervision mechanism is not scientific, at the same time she also puts forward the corresponding countermeasure, she puts forward to the villages and towns as the center to plan as a whole, the overall planning and use of rural land resources, to improve the leader to attract and incentive evaluation mechanism, at the same time, She also stressed the need to strengthen government support and improve the financial support mechanism.

And Yu Weixuan ,Dai Yun (2021) is pointed out that it is because of the imbalance of the rural population structure and agricultural human resource shortage, unreasonable industrial structure, and cannot be reasonable development and utilization of land resources in rural areas and agriculture organization of the structure of the "shell", and such problems as excessive competition in the international market risk, severely restricts the Midwest rural collective economy development in China ,Therefore he pointed out that construction should be carried out to guide the absorption of excellent talents, personnel training and integration of technical resources to strengthen the construction of talent mechanism and broaden the overall idea of introducing high-quality technical measures to better promote the development and growth of rural collective economy, so as to promote rural revitalization. Wang Guiyuan (2021) points out that there are many problems in the development of rural collective economy in China, mainly including the lack of agricultural human resources and labor services, farmers' insufficient awareness of the development and expansion of collective economy, grassroots political organizations to be adjusted, etc. Therefore, she emphasizes the introduction of agricultural talents. It is emphasized that the development of rural collective economy is still facing many obstacles. Rural areas should explore measures suitable for local development of collective economy according to local conditions. Yao Liming (2021) believes that there are some problems in the rural collective economy, such as the imperfect management system of the "three resources" and the lack of audit and supervision mechanism of the "three resources". He emphasizes that the management of the three resources should be strengthened to promote the development of the rural collective economy.Wang (2021), from the perspective of the rural collective project management perspective, emphasized the current China's rural collective economy is facing the overall level of development is not balanced, imperfect management system, the government and the lack of capital support so she stressed to accelerate to deepen reform of rural property rights system, to have specific rights to share method and distribution solutions as well as the principles of profit distribution, the same ", she also stressed to improve the overall management level of China's rural collective management team, strengthen the support of the government and capital, so as to ensure the development of China's rural collective economy.

## 4. Foreign Research on Collective Economy

There is no obvious concept of rural collective economy in foreign countries, and what is similar to collective economy in foreign countries is cooperative economy, which is mainly manifested as a kind of cooperative thought, which also has certain reference for the study of collective economy in China.

Lenin (1923) emphasized that cooperative economy belongs to socialist economy under the socialist system, and cooperative enterprises are also equivalent to collective enterprises. In essence, it is not obvious to distinguish them from socialist enterprises, which basically belong to the same concept. Williamson (1985) pointed out that when individual farmers go to the market alone, they will face considerable trade costs under normal circumstances, while agricultural cooperatives can solve the problem of excessive trade costs by resource integration. Stutz (1987) believed that joint organizations could help farmers reduce trade costs and enhance their market competitiveness. At the same time, the neo-classical school of management discusses the combination form of rural cooperative management and clearly puts forward that the company manager system can be implemented in the joint organization. Eschenberg (1992) proposed that cooperatives not only replace or abolish the market, but transform the external market internally in various ways, which is usually called "the internal market of cooperatives". Michael. Cook. (1995), from the perspective of social property rights theory, analyzed the problems such as free riding of social members and rigid capital portfolio in the development and expansion of cooperatives. Some overseas researchers on China's rural collective economy development in the process of rural collective ownership enterprise issues conducted in-depth study.

## 5. Research Review and Future Prospects

Throughout the domestic and foreign related literature on collective economic research shows that, the collective economy is an important force to promote the development of economy, it plays an important role in the development of a country, Chinese and foreign scholars on how to develop the collective economy has carried on the beneficial exploration, explore a variety of modes of the development of collective economy, facing the problems in the process of analysis of collective economic development, The corresponding countermeasures are put forward. At present, China stands at the historical juncture of the two centenary Goals, and all undertakings are being advanced and improved. The future development of China inevitably needs rural revitalization, and under the current conditions, to promote rural revitalization, it is necessary to better develop rural collective economy. A large number of literatures can be found by searching the theme of "collective economy" on the Website of Knowledge, which shows that the development of collective economy has been attached importance to by domestic scholars. Under the conditions of the new era, we should also develop the rural collective economy in accordance with local conditions, and constantly explore new forms, so as to obtain new vitality and new development. The development of rural collective economy can play a huge role in the development of China's rural areas and even the whole country. Promoting the development of rural collective economy can better consolidate the achievements of poverty alleviation and continuously promote rural revitalization. Under the current conditions, although the development of rural collective economy has achieved certain results, there are still some problems: first, some officials and cadres have low quality level, weak innovation consciousness, it is difficult to explore new methods, it is not easy to effectively utilize funds; Second, some people have ideological problems. Some local governments fail to recognize the huge role of collective economy and regard it as an old method that does not meet the needs of development in the new era. Third, imperfect rules and regulations as well as development environment, land system and credit system restrict the further development of collective economy, and to some extent, capital investment is limited and support is weak. It is because there are many problems in the process of rural collective economic development, so we should start from reality, carry out research, find out countermeasures, promote the development of rural collective economy, and promote the implementation of rural revitalization, so as to further achieve the full realization of the great rejuvenation of the Chinese nation!

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