

Study of Reasonable Selections of Chinese Peasants' in Situ Entrepreneurial Projects

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Abstract

The reasonable selection of peasants' in situ entrepreneurial projects is one of the key factors in China's agricultural modernization. Peasants' in situ entrepreneurial project selection means the process of peasant entrepreneurs selecting their own entrepreneurial project in accordance with the scientific methods from many entrepreneurial projects. From a historical perspective, the reasonable selection of peasants' in situ entrepreneurial projects has experienced three stages. The basis of the reasonable selection of peasants' in situ entrepreneurial projects includes measurability, accessibility, controllability and accommodation stability and other standards, and this paper takes beef cattle breeding project in Fengdu county as an example to analyze what a reasonable selection is with the hope to provide references of the reasonable selection of entrepreneurial projects for peasants and returned migrant workers.

Key words: Chinese peasants; In situ entrepreneurial projects; Reasonable selections; Fengdu county; Long-term benefits

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INTRODUCTION

The CPC Central Committee has been holding Central Rural Work Conference in consecutive years to pay in-depth attention to and solve the "three agriculture-related" issues. The 2015 Central Rural Work Conference was drawn more attention. The theme of the conference directly pointed to China's agricultural modernization. To achieve the modernization of agriculture in China, it is the inevitable choice for peasants to consciously select and develop various forms of agricultural and related industries in appropriate scale, and this is inseparable from the reasonable selections of in situ entrepreneurial projects of peasants and returned migrant workers.

1. THE DEFINITION OF THE SELECTION OF PEASANTS' IN SITU ENTREPRENEURIAL PROJECTS

1.1 Selection of Projects and Entrepreneurial Projects

Project selection means project undertakers make choices and decisions on projects which they are going to work on. Project selection refers to the decision process in which entrepreneurs, in order to achieve expected production and business goals, use scientific methods and means to select an optimal or quite satisfied project from several different feasible projects. Entrepreneurial project selection has three features: future-oriented, selecting one and implementation. The selection of peasants' in situ entrepreneurial projects means the process in which peasant entrepreneurs use scientific methods to select their own entrepreneurial projects from several entrepreneurial projects. It is especially important for entrepreneurs, especially Chinese peasants or returned migrant workers to select entrepreneurial projects and it is the key for

entrepreneurs to the success of entrepreneurship. If the direction is wrong, all efforts may be in vain. Therefore, we should first do the right thing before doing things right, just as it says, "Men is afraid of entering the wrong industry and women is afraid of marrying the wrong man." Of course, now in the so-called 73 industries, there are champions in each industry.

1.2 The Selection of Peasants' Entrepreneurial Projects in Fengdu County

The spirits of 2015 Central Rural Work Conference show that, throughout China, the issue of peasants should be the core issue to be addressed in "three agriculture-related" work, and the fundamental problem of the issue of peasants is the interests of peasants; however the key issue for the interests of peasants is the income of peasants. One of the key issues for the income of peasants is inseparable from the reasonable selection of in situ entrepreneurial projects, which involves peasants across China making a reasonable choice of entrepreneurial projects based on the actual situation of their location. In this particular region of China, Fengdu County, the selection of peasants' entrepreneurial projects refers to the decision process in which peasants in Fengdu, according to their own advantages, combining the natural, economic, population, scientific and technical, socio-cultural and other external conditions in Fengdu, choose appropriate entrepreneurial projects. Projects suitable for peasants in Fengdu county are good projects, and the projects from which they can make money are the last word. The selected projects would be affordable and sustainable for peasants and they can do them well and keep doing them!

1.3 The Selection Criteria of Peasants' in Situ Entrepreneurial Projects

When peasants select entrepreneurial projects, it should be based on measurability, accessibility, controllability and stability and other criteria. The first criterion is measurability, that is, the selected project market has obvious characteristics and clear distinctions and it is distinguishable from others such as cattle breeding projects. Otherwise, it would be like to provide products for the left-handers. Although there may be tens of millions of people who are left-handers, how can we measure who are left-handed when they are all over the world? Here is another example: a few years ago, in the purchase of "universal software" from "the universal technology company", a lot of people were cheated. Do you really believe that you can make money by clicking on the advertisements? Some people believed it, and in this project, many companies and individuals were defrauded and they lost tens of billions of dollars. The second criterion is accessible, which means the selected projects should be easy for peasants to access and develop. For example, cattle breeding project is easy for peasants. They can enter this industry easily and it is also quite easy to control the technology, conduct production.

Its customers and goods are accessible. If peasant go to the mountain areas where are sparsely populated, it would be very difficult to for them to sell ice cream. The third one is controllability, which means that the main subjects of peasants' in situ entrepreneurship are peasants and they should have control power and be able to control technology and operations. For example, for some large number of industrial projects, it can be difficult for peasants to control due to funds, culture and management capacity and other limitations. There are even some projects which are hard to control for enterprises within the industry. For example, China's SMEs cannot face multinational competition. These multinational companies would act like adults seeing children build sand castles along the river sand castle. When these SMEs create a market, they would say, "you SMEs get out and here we come," because their technology, capital and management capabilities are particularly powerful. The last one is stable, which means the market demand is large enough and there is the potential purchasing power such as the beef market in China and Chongqing. The market must have stability and can be sustained; the market of some projects is instable such as "BT grilled wings" which rapidly swept the market in Chongqing and then collectively collapsed overnight. However, projects like cattle breeding will continue to increase.

2. THE HISTORY OF REASONABLE SELECTIONS OF PEASANTS' IN SITU ENTREPRENEURIAL PROJECTS

2.1 Peasant Talents' in Situ Entrepreneurship in Early 1980s

At that time in the countryside, these "talents" were representatives who started in situ entrepreneurship. They reasonably selected agricultural and livestock-related projects which were demanding the market, started from a family workshop and gradually established an enterprise. Affected by environmental conditions then, they had very limited education, but generally they were thinking quickly, had a decision-making ability and a strong entrepreneurial impulse. Most of them were rural grassroots cadres and responsible persons or backbones in community enterprises. They had good social connections and were well-informed. They also had prestige in their area, accepted new things quickly and had their own unique advantages. In the early years of reform and opening up, the market margin was large and they took advantages of the vast sales market. For example, some local peasants collected farm animal and special products in the countryside to traffic to large cities or some industrial areas where the economy was relatively developed to earn price difference coming from wholesale and retail, production and sales, regional, seasonal and other aspects and expand their business capital.

2.2 Peasants' in Situ Entrepreneurship to Become Business Owners in 1990s

During this period, some peasants who have succeeded in their entrepreneurship started village and township enterprises and some fell down as well. Some good examples are like the family of Liu Yonghao who owns New Hope Group and the Andu Group of Li Xianhe which was once very popular. Liu Dingguo in Anyue, Sichuan was unable to maintain popular who was once very famous for pig farming. During this period, a large number of peasants went out to become migrant workers for surviving. There were a few who took opportunities to accumulate capitals in this process and returned to their hometown to start businesses, and they succeeded and established enterprises of certain scale. Some peasants worked with governmental departments and enterprise employees and get capitals by using social network and bank loans. A few peasants took advantage of “two-track” system and conducted money trading and illegal smuggling and trafficking to gain fortune and become “rich” people through real estate and stock speculations.

2.3 Active Peasants' in Situ Entrepreneurship in the 21st Century

In the 21st century now, some migrant workers have established foundation in the city and started entrepreneurship. After the impact of 2008 financial crisis, there is an increased number of migrant workers returning to their hometown to start entrepreneurships. The country has also introduced a large number of policies to guide, support and encourage peasants start in situ entrepreneurships or return to their home to start entrepreneurships. For example, our country has started peasant sunshine project training and new vocational peasant training and other supportive policies to support peasants' in situ entrepreneurships.

3. REASONABLE SELECTION EXAMPLES OF PEASANTS' IN SITU ENTREPRENEURIAL PROJECTS IN FENGDU COUNTY

3.1 Reasonably Selected Peasants' in Situ Entrepreneurial Projects Must Have Broad Market Prospects and Be Suitable for Peasant Entrepreneurs

First of all, with the economic and social development, the Chinese people's material the spiritual lives have changed, and the consumption structure and consumption demand will also change dramatically. The demand for beef will certainly be greatly increased. The demand for beef only to meet the need of more than 3,200 million people in Chongqing still has a great supply gap; in addition, according to international experience,

the per capita consumption of meat, milk and other agricultural products in China will continue to maintain a rapid growth (Ni, 2014), therefore, “cattle breeding” in situ entrepreneurial projects in Fengdu county have a broad realistic and potential market prospects. Second, reasonably selected good projects must be projects fit for local peasant entrepreneurs—cattle breeding is suitable for Fengdu county peasant entrepreneurs. In Fengdu county, there are meadows, pastures, hills, mountains and other various natural conditions suitable for the development of cattle breeding. The towns where peasant entrepreneurs are based have such natural conditions. Along with the increased efforts of the nation to support the aquaculture industry as well as a new round of preferential policy support for industrial development in the Three Gorges Reservoir, opportunities to coordinate urban and rural areas to accelerate specialty agricultural industrial development have come, which has brought a golden opportunity for the development of beef cattle industry in Fengdu county, Chongqing. The advantages to develop stronger beef cattle industry have become prominent. There is a good foundation for the development and the size and number of beef cattle in Fengdu is among the top in Chongqing. The county has built 18 beef cattle production bases, 20 standardized demonstration feedlots and 5,447 cattle breeding demonstration households. Beef cattle Breeding Park in Baoluan Town has been built as a famous cattle breeding Demonstration Park in Chongqing. There are abundant forage resources as well. In Fengdu county, the area of grassy hills has reached 1.588 million Mu and the artificial grass reserved area is 105,000 Mu in addition to more than 300,000 tons of straw and 360,000 tons of potatoes and other feeds. By 2012, the number of beef cattle bred in the country reached 324,000 (Chen et al. 2014).

3.2 Reasonably Selected Peasants' in Situ Entrepreneurial Projects Must Have Government Support

Reasonably selected good projects must have government support. Beef cattle breeding project was one of thousand village talent recruitment demonstration projects in 2009. At that time, a number of talent recruitment projects were submitted in various counties before the Chongqing Municipal Bureau of Foreign Experts identified 21 projects in the “Thousand Villages Talent Recruitment Demonstration Projects” program after a rigorous screening, and beef cattle breeding project in Fengdu County topped the list; the project is also a national livestock industrialization project, a project of Chongqing counterparts support to poor peasants, a thousand villages out of poverty program project, a microfinance priority support project of banks and a project that Fengdu county government incentives to support. Thousand Villages Talent Recruitment Program, in addition to providing funding of 30,000 yuan for the beef industry in Fengdu county, focuses on providing support and services in the

talent, intelligence and technology for cattle breeding projects, introducing foreign experts and foreign advanced technology to promote the county's talent training in beef cattle breeding industry and speed up industrial technology innovation, which will provide strong technical support and personnel support for Fengdu county to build "beef cattle town in Southern China". Good peasants' in situ entrepreneurial projects must have financial support. This project has adequate funding support. The promotion of Fengdu County beef cattle breeding project has funds as well as national project, credit, subsidies and other incentives to support. It is learned that Chongqing Rural Commercial Bank intends to gradually put 20 billion yuan for local farmers and migrant workers to start entrepreneurial project to develop beef cattle breeding. Good projects must also have technical support system. Fengdu county beef cattle breeding project has a strong technical system. For example, they have the beef cattle breeding promotion research team from Southwest University Rongchang Campus famous for specialty advantages of animal science and animal medicine and other disciplines and appropriate technical service support from Chongqing Academy of Animal Science, Agricultural Bureau, expert service team from Fengdu county Animal Husbandry Bureau and university student technology service team. Good projects are undertaken in systematically engineering model. Fengdu County beef cattle breeding project has a national system such as livestock industrialization development as well as scientific research promotional systems at all levels of government, such as national, provincial and municipal relevant projects. There are teams to conduct direct implementation such as multiple technical teams at all levels; there is one-stop service system of production and operation, such as the motivation from breeding and processing marketing services from leading enterprises, which all indicate Fengdu county cattle breeding project is undertaken in a systematical engineering model.

3.3 Reasonably Selected Peasants' in Situ Entrepreneurial Projects Must Have Suitable Production Cycles and Long-Term Benefits

Good projects should be projects with a moderate cycle. Beef cattle breeding project has a moderate production cycle. The production cycle of cattle is moderate. It is not as short as chicken, pig and rabbit breeding. Followers would be numerous as well as fast. Cattle breeding requires appropriate conditions such as water, grass and hills, which are suitable for Fengdu, while Rongchang aims at "pig" breeding. Good projects should be environmental friendly and sustainable projects. There are many approaches to breeding cattle such as breeding with growing grass, caged or cage-free breeding and so to form an ecological cycle of cattle-grass-meant and milk. Good projects should be projects which care form a chain. Beef cattle breeding can for a big industrial chain and

is an important industrial project to develop livestock, including grass growing→cattle breeding→cattle trade, cattle processing, beef production industry, processing, tourism→trade of beef productions and relevant products→auxiliary industries, to for an elongated, solid beef breeding industrial chain. Good projects should be projects combined with present benefits and long-term benefit, local benefits and overall benefits. Beef cattle breeding in Fengdu has a good combination. For example, peasants in situ start beef cattle breeding in Fengdu can get national and local governmental support and subsidies. It is a sustainable project. In the future, it will be possible that one can afford to buy a Fox car in breeding a head of cattle. From this we can see that, beef cattle breeding are a project which is suitable, profitable, affordable, capable and trustworthy for peasants and returned migrant workers.

CONCLUSION

The CPC Central Committee has been paying in-depth attention to and solving the "three agriculture-related" issues. The theme of 2015 Central Rural Work Conference directly pointed to China's agricultural modernization, which is inseparable from the reasonable selections of in situ entrepreneurial projects of peasants and returned migrant workers. The selection of peasants' in situ entrepreneurial projects means the process in which peasant entrepreneurs use scientific methods to select their own entrepreneurial projects from several entrepreneurial projects. In this particular region of China, Fengdu county, the selection of peasants' entrepreneurial projects refers to the decision process in which peasants in Fengdu, according to their own advantages, combining the natural, economic, population, scientific and technical, socio-cultural and other external conditions in Fengdu, choose appropriate entrepreneurial projects. From a historical perspective, the reasonable selection of peasants' in situ entrepreneurial projects has experienced three stages. The basis of the reasonable selection of peasants' in situ entrepreneurial projects includes measurability, accessibility, controllability and accommodation stability and other standards, and this paper takes beef cattle breeding project in Fengdu county as an example to analyze what a reasonable selection is with the hope to provide references of the reasonable selection of entrepreneurial projects for peasants and returned migrant workers.

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