

A Comparative Study of Chinese and Korean Farmers' Professional Cooperatives

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Abstract: This study aims to conduct a comparative analysis of agricultural cooperatives in China and South Korea to reveal the similarities and differences between the two countries' cooperatives in terms of development history, organizational structure, management models, external support, and legal safeguards, and to provide references and insights for the development of agricultural cooperatives in China. By dissecting the development backgrounds and processes of cooperatives in both countries, this study finds that the successful experiences of South Korea's agricultural cooperatives primarily include strong external support, a diversified service system, sound financial services, and scientific management models. Further analysis of the challenges faced by Chinese cooperatives in their development includes organizational and management issues, capital shortages, technology promotion and modernization, marketing and brand building, as well as external support and legal safeguards. Based on this, the paper proposes breakthrough strategies, including improving organizational structure systems, leveraging internal and external resources to reduce costs and increase efficiency, guiding cooperatives toward diversified and integrated development, updating marketing and promotion methods, and optimizing the support system. These strategies hold significant practical implications for enhancing the management and operational levels of China's farmer professional cooperatives.

Keywords: Agricultural Cooperatives; South Korean Agricultural Cooperatives; Comparative Study

1. Introduction

Agriculture plays a vital role in the economic

and social development of both China and South Korea. As an agricultural giant, China has a large rural population, and agriculture is crucial to national food security, rural economic development, and social stability. Although South Korea has achieved high levels of industrialization, agriculture remains important in ensuring food safety and maintaining rural economic and social stability. Professional farmers' cooperatives are an important organizational form through which farmers collectively engage in the production, processing, and marketing of agricultural products to enhance their economic interests and the market competitiveness of agricultural products. Cooperatives provide farmers with production materials, technical support, and financial services through intensive management, large-scale production, and market-oriented sales, thereby promoting agricultural modernization and rural economic development.

China's farmers' professional cooperatives have developed gradually since the reform and opening-up. The promulgation of the Farmers' Professional Cooperatives Law in 2006 marked the entry of China's farmers' professional cooperatives into a stage of rapid development. To date, the number of farmers' professional cooperatives in China has increased rapidly, and their coverage has expanded widely. However, they still face challenges in management, operational efficiency, and market competitiveness. The development of farmers' professional cooperatives in South Korea began in the early 20th century. After long-term development, a relatively complete legal system and support system have been formed. South Korean farmers' professional cooperatives have a high degree of maturity in terms of organizational management, technology promotion, and marketing, and have played an important role in increasing farmers' income and rural economic development.

However, both countries' cooperatives are

currently facing various challenges in their sustainable development processes, which require urgent attention. By comparing the development models and experiences of farmers' professional cooperatives in China and South Korea, we can further enrich cooperative theory and analyze development paths suitable for different countries and regions. This has important implications for enhancing the management and operational levels of China's farmers' professional cooperatives and can also provide new perspectives and improvement directions for the development of South Korean farmers' professional cooperatives.

2. Historical Background and Development Process

The development history of agricultural cooperatives in China and South Korea shares similarities in the pre-establishment, post-establishment, and developmental stages, but significant differences have emerged during their ongoing development.

2.1 Historical Background and Development Process of China's Farmers' Professional Cooperatives

In China, various cooperative movements initially emerged in rural areas. During the early years of the People's Republic of China, rural areas saw the emergence of mutual aid groups, primary cooperatives, and advanced cooperatives. In the 1950s, China began establishing agricultural cooperatives, which underwent multiple reforms and adjustments during this period. Under government initiatives, the number of production cooperatives surged from 650,000 to over 1.9 million between mid-1955 and the end of 1955. By the end of 1957, almost all rural households had joined cooperatives. Starting in 1982, agricultural cooperatives began to emerge, with two main forms of cooperative organizations: farmers' professional associations and farmers' professional cooperatives [1].

The systematic promotion of farmers' cooperatives in China began in 2004, with pilot programs initially implemented in Taizhou City, Zhejiang Province. Local practices prompted the central government to enact the first national law on farmers' professional cooperatives [2]. In 2007, the Farmers' Professional Cooperatives Law

came into effect, providing legal safeguards for the development of cooperatives. To facilitate the establishment of cooperatives by local governments, farmers, and other stakeholders, the initial registration requirements for cooperatives under the law were relatively low [3]. Subsequently, the number of cooperatives increased significantly, from 26,000 in 2007 to nearly 1.289 million in 2014 [4]. In China, government subsidies provided to agricultural cooperatives are the primary motivation for many farmers to apply for cooperative registration [5].

However, the rapid growth in the number of cooperatives has been accompanied by low quality, with most farmers' cooperatives operating at a very low level of standardization. Four types of non-genuine agricultural cooperatives have emerged: "shell cooperatives" [6], private agricultural enterprises, cooperatives transformed into commercial enterprises under market pressure, and cooperatives that have failed in their operations [7]. The emergence of these fake cooperatives during the promotion of agricultural cooperative development has prompted the government to shift its primary focus to guiding cooperatives toward standardization.

2.2 Historical Background and Development of South Korean Farmers' Professional Cooperatives

South Korea's agricultural cooperatives originated in the 1950s, driven by strong government support [8]. Starting in 1950, South Korea implemented land reform across rural areas, prompting scattered individual farmers to establish professional agricultural cooperative organizations to protect their interests and improve agricultural production. Additionally, to accelerate the modernization of agriculture, the government began establishing private social and economic organizations—agricultural cooperatives.

South Korean cooperatives expanded rapidly during the economic boom of the 1970s. To address financial issues within cooperatives, the government enacted the new Agricultural Cooperative Act in 1961, merging agricultural banks with agricultural cooperatives. Within a decade of the new act's implementation, 16,000 cooperative

units had been established [9]. However, these cooperatives were initially small in scale, with an average of only 139 farmer members. From 1969 to 1973, there was a movement of many small cooperatives merging into a few large cooperatives. This led to a reduction in the number of cooperatives but an improvement in quality, with the average number of farmer members per cooperative increasing to 1,400.

The Korean Farmers' Cooperative Federation, which became an international member of the ICA, was established in 1972. It provides credit to farmers through deposits and savings, organizes the sale of agricultural machinery, fertilizers, pesticides, and industrial products, and acts as an agent for the government in purchasing grain from farmers [10]. Over 60 years of comprehensive modernization, the Nonghyup flourished, while farmers were burdened with heavy debt. The Nonghyup was officially defined as a "farmer-independent cooperative organization," but in practice, it was used by the government to mobilize and control farmers [11]. Individual farmers opposed the government's decision to classify agricultural cooperatives as semi-state-owned enterprises. Through continuous reforms, they successfully transformed the cooperatives from semi-state-owned entities back into independent cooperatives. South Korea implemented the Comprehensive Rural Development Program (CRVDP) from 2004 to 2013 as a key strategy to revitalize rural areas [12]. Since the 2000s, South Korea's cooperatives have made significant progress in diversifying their operations and expanding international cooperation.

3.Comparison of Operational Models of Professional Cooperatives

3.1 Comparison of Organizational Structures and Management Models

China's farmers' professional cooperatives are primarily grassroots cooperatives with relatively simple organizational structures, mainly formed through the spontaneous organization of farmers. From the internal structure of China's farmers' professional cooperatives, they are primarily composed of a members' (representatives') assembly, a board of directors, and a supervisory board. From an external perspective, China's farmers' professional cooperatives are mutual

economic organizations established based on the household contract responsibility system in rural areas, formed by producers and operators of similar agricultural products or services according to the principles of voluntary association and democratic management. In terms of management models, China's cooperatives operate under democratic decision-making, with members participating in cooperative management and decision-making.

The organizational structure of South Korean farmers' professional cooperatives is relatively complex, including the National Agricultural Cooperative Federation (NACF) and various levels of local cooperatives, with clear hierarchical divisions. South Korean agricultural cooperatives are primarily categorized into regional agricultural cooperatives, regional livestock cooperatives, and regional specialized cooperatives. From the internal structure of agricultural cooperatives, grassroots agricultural cooperatives in South Korea have a members' assembly, a board of directors, and a supervisory board. South Korea's management model, which combines centralization and decentralization, aligns with the characteristics of agricultural production, enabling flexible resource allocation to overcome the competitive disadvantages of individual farmers in terms of scale and resources [13].

3.2 Comparison of Business Scope and Service Content

The business scope of China's farmer professional cooperatives is primarily concentrated in agricultural production and primary processing, with some cooperatives also engaging in agricultural product sales and financial services. Cooperatives serve as both horizontal organizations that unite farmers and organize agricultural production, and as driving forces that provide farmers with agricultural product processing and facilitate industrialization [14]. However, cooperatives have limited service capabilities and cannot effectively ensure the balanced allocation of relevant input factors [15]. In their initial stages, the service content of Chinese cooperatives primarily included the provision of production materials, technical support, and marketing services, but the overall service level needs to be improved [16]. In recent years, the services provided by cooperatives have gradually shifted toward a comprehensive agricultural socialized

service system that serves the entire agricultural industry chain [17].

South Korean farmers' professional cooperatives have a wide range of business activities, including agricultural production, processing, sales, and financial services. They provide comprehensive services to farmers, and the business scope of South Korean agricultural cooperatives covers rural socio-economic undertakings, including agricultural product production, processing, and sales; agricultural credit and insurance; and farmer education, healthcare, and social insurance.

3.3 Comparison of Internal Management and Member Participation

The essence of standardized operations in Chinese cooperatives lies in the property rights system stipulated in the Cooperative Law, which governs their organizational structure and governance. To balance market adaptability and essential characteristics, the Cooperative Law imposes dual constraints and restrictions on democratic voting and profit distribution based on transaction volume (value), thereby balancing operational performance improvement and standardized governance [18]. Current laws stipulate that the proportion of profits distributed based on transaction volume must not be less than 60%, but actual distribution based on shares is more common [19].

South Korea's agricultural cooperatives have a relatively well-developed internal management system and continuously improve internal audit and supervision mechanisms to enhance management efficiency. The system has evolved from a three-tier structure to a two-tier structure, with an emphasis on the development of individual cooperatives. The revenue-sharing ratio between the central cooperative and individual cooperatives has been adjusted from 4:6 to 2:8. This redistribution of revenue has significantly enhanced the operational capacity of individual cooperatives, thereby improving their ability to serve farmers.

3.4 Brand Building and Market Competitiveness

In China, some cooperatives have enhanced their market competitiveness through scaled-up operations and brand building, but overall competitiveness remains weak. This is primarily constrained by their scale, coupled with intense market competition across different regions in

China. While cooperatives' awareness of brand building is gradually increasing, their brand influence and recognition still need to be improved. Some cooperatives' brand-building efforts are still at the trademark registration stage, and there is an urgent need to update marketing and promotion strategies to enhance brand influence.

South Korean farmers' professional cooperatives have strong competitiveness in the domestic market but relatively weak competitiveness in the international market. South Korea accepted significant reductions in agricultural tariffs under bilateral free trade agreements signed with the United States and the European Union in the 2000s. Since 2013, the pace of agricultural market liberalization has slowed. Cooperatives have a stronger brand awareness than, focusing on brand building and marketing promotion, and have developed some well-known brands. At the same time, an increasing number of farms are engaging in various non-agricultural activities beyond agricultural production to improve income levels.

3.5 Policy Environment Comparison

The Chinese government has consistently provided farmers' professional cooperatives with financial, tax, and technical support to encourage their development. In recent years, the Chinese government has attached great importance to the development of cooperatives, revising the Law of the People's Republic of China on Farmers' Professional Cooperatives at the top-level institutional level, and issuing policies such as the Regulations on the Registration and Administration of Farmers' Professional Cooperatives and Several Opinions on Conducting a Campaign to Standardize and Upgrade Farmers' Professional Cooperatives. They have also designated three batches of 406 pilot units to conduct county-level pilot projects for improving the quality of cooperatives. Although laws and regulations such as the Farmers' Professional Cooperatives Law protect the legitimate rights and interests of cooperatives, there are still some shortcomings in the implementation process.

The South Korean government provides significant support for agricultural cooperatives, particularly during the initial stages of agricultural modernization, where the government played a leading role. South Korea's Agricultural Cooperative Act provides a legal

framework for the development of cooperatives, detailing the organizational structure, management model, and operational norms of agricultural cooperatives to ensure their legality and operational efficiency. The legal system has been gradually improved and is enforced with relative rigor. Policies have a broad scope, covering areas such as financial support, marketing, and technology promotion.

4. Case Analysis of Chinese and Korean Farmers' Professional Cooperatives

4.1 Case Analysis of Chinese Farmers' Professional Cooperatives

From the perspective of development pathways, Chinese cooperatives have followed a specialized cooperation model rather than the comprehensive cooperation model adopted in countries like Japan and South Korea. In China, the village-led cooperative model, which originated in Tangyue Village, Guizhou Province, and achieved good results, is an attempt similar to the comprehensive agricultural cooperative model. This paper selects the Tangyue Village cooperative as one of the comparison objects.

4.1.1 Development characteristics of the Chinese case

In December 2014, the "Tangyue Village Farmers' Professional Planting Cooperative" (later renamed "Tangyue Village Golden Land Planting Professional Cooperative") was established, with over 2,900 villagers joining, representing nearly 100% of the village population. The most significant difference between Tangyue Village's cooperative and other farmers' professional cooperatives lies in the fact that almost all villagers contribute their land as equity to operate collectively, achieving village-cooperative integration. The cooperative system in Tangyue Village primarily includes the following: first, an equity management system; second, a land transfer system; third, a financial management system, which implements independent financial management and accounting, supervised by an executive supervisor; and fourth, a profit distribution system, where cooperative profits are distributed among the cooperative, the village collective, and villagers in a 3:3:4 ratio. National poverty alleviation funds are also distributed to individuals through a quantified allocation system.

To address the issue of labor force employment in the village and further enhance the functions of the cooperative, the cooperative has established a labor dispatch company, a women's entrepreneurship association, a construction cooperative, an elderly association, and a transportation association, enabling villagers to find employment within the village. Tangyue Village has also established six institutions: a land transfer center, a shareholding cooperation center, a financial service center, a marketing information center, a comprehensive training center, and a rights protection center, further deepening rural comprehensive reforms. A "Seven Unifications" system has been established, including unified accounting of funds, unified planning of land, unified use of village officials, unified accounting of village finances, unified sales of agricultural products, unified construction of beautiful villages, and unified handling of red and white events.

4.1.2 Development outcomes of the Chinese case

Within just two years of its establishment (2016), the village collective and the cooperative distributed dividends totaling 1.2147 million yuan, with members receiving 809,800 yuan in dividends, the highest individual dividend reaching 8,960 yuan, and the lowest at 1,840 yuan. Currently, the cooperative primarily focuses on agricultural planting. Tangyue Village has successfully transferred 4,864 mu of land, with 520 mu planted with late-ripening crisp red plums, 500 mu with walnuts, 200 mu with soft-seeded pomegranates, 612 mu with ornamental trees, over 300 mu with vegetables, 150 mu with shallow-water lotus roots, and over 100 mu with morel mushroom bases. After the land rights of over 2,000 acres of forest land were clarified, a chicken farming project on the forest land has been developed.

4.2 Case Analysis of South Korean Farmers' Professional Cooperatives

Jeollanam-do is one of the most agriculturally developed regions in South Korea, and the Jeollanam-do Farmers' Cooperative has played a significant role in promoting local agricultural development and improving farmers' living standards. Located in the southern part of South Korea, Jeollanam-do boasts abundant agricultural resources and favorable climate conditions. The South Korean government began constructing the "National Food Cluster" in

Jeollabuk-do in 2008 to guide the development of small-scale food industries in the region and expand research and development capabilities within the food industry.

4.2.1 Development characteristics of the South Korean case

Establishing a comprehensive service system. The Jeollanam-do Farmers' Cooperative provides farmers with a wide range of services, including agricultural production, financial support, marketing, and technical training. Emphasis on brand building and market promotion. It actively utilizes various channels such as domestic and international exhibitions, e-commerce platforms, and social media to promote agricultural products, expand market coverage, and increase market share. Actively applying modern agricultural technology. It regularly organizes technical training courses for farmers to help them master the latest agricultural technologies and management experience. Strengthening social responsibility and community development. Actively expanding international markets. It has established cooperative relationships with international agricultural organizations and agricultural cooperatives in other countries to exchange experiences and collaborate on technology.

4.2.2 Development achievements of the Korean case

According to data from the Korean Farmers' Cooperative Federation, the average income of members of the Jeollanam-do Farmers' Cooperative Federation has increased by approximately 50% over the past decade. In 2010, the average income of farmers was approximately 15 million won, and by 2020, this figure had grown to approximately 22.5 million won. In 2020, over 50% of cooperative farmers adopted smart agriculture technologies such as the Internet of Things (IoT) and big data analysis. The area dedicated to green and organic agriculture reached approximately 10,000 hectares, accounting for about 10% of the total agricultural land in the region. The Agricultural Cooperative Federation has focused on brand development and market expansion, with products like "Jeollanam-do Rice" and "Jeollanam-do Citrus" gaining high recognition and market share both domestically and internationally.

5. Challenges Facing the Development of

Farmers' Professional Cooperatives in China

With the higher development goal of building an agricultural powerhouse in mind, and through comparative analysis with South Korea's farmers' professional cooperatives, China's farmers' professional cooperatives still face the following major challenges in their development process:

5.1 Organizational and Management Challenges

Compared to the highly centralized and unified management of South Korea's agricultural cooperatives, most of China's cooperatives have relatively loose organizational structures, lacking systematic and unified management, resulting in low management efficiency. Additionally, some cooperatives have incomplete governance structures, with management lacking professional expertise and management experience, and decision-making processes lacking transparency, leading to unstable cooperative operations. Most cooperatives have loose interest relationships with their members, limited to simple agricultural product purchase and sales relationships. Farmers do not pay much attention to cooperative affairs and have very limited participation in democratic decision-making, democratic supervision, and project implementation.

5.2 Funding Shortages

Cooperatives in China generally face funding shortages, particularly during the initial startup and development stages, with insufficient funds limiting their growth. Newly established cooperatives can only obtain their initial capital from membership fees, which are insufficient to meet the needs of technological upgrades, land improvement, and collaborative activities. Generally, newly established farmers' cooperatives must secure financial support from external sources. However, the rural financial services system is relatively underdeveloped, making it difficult for cooperatives to obtain long-term, low-interest loans. Financial services coverage and depth are inadequate. Additionally, the majority of subsidies are captured by large-scale agricultural enterprises under the guise of cooperatives.

5.3 Challenges in Technology Promotion and Modernization

Some cooperatives in China have low technical

standards, lack the promotion and application of modern agricultural technologies, and thus have low agricultural production efficiency and product quality. Farmers have relatively low levels of technical training and education, lacking systematic technical training and vocational education, which constrains the development of agricultural modernization. Many farmers are skeptical about new technologies and lack the knowledge and skills to apply them. Low levels of education and literacy are also important factors hindering technology adoption. Additionally, the agricultural technology promotion system is inadequate, with insufficient promotion institutions and personnel, and limited coverage of technical services. Technology promotion requires significant financial investment, but many cooperatives and farmers lack sufficient financial support, making it difficult to carry out promotion activities and lacking the motivation and resources for technological research, development, and application, which impacts agricultural production efficiency and modernization levels.

5.4 Marketing and Brand Building Challenges

In recent years, the brand-building level of cooperatives in China has improved significantly, but most cooperatives still have relatively weak brand awareness and insufficient brand-building and marketing capabilities, resulting in weak market competitiveness and low added value of agricultural products. The prominent issues facing the industrialization of cooperatives include disconnects between industries, a weak foundation in the primary sector, insufficient extension to downstream sectors, the secondary sector being stuck in the status quo with insufficient expansion to both upstream and downstream sectors, and the third industry lacking innovation. This is manifested in insufficient brand-building capabilities, lack of competitiveness, low standardized production rates, high production costs, limited marketing methods, and low product benefits in the industrialization of cooperatives.

5.5 Policy Support and Legal Guarantees Challenges

Since its establishment, the South Korean Agricultural Cooperative Federation has received significant policy support from the

government, which has emphasized the guiding and flexible role of policies. Institutional norms have also been consistently in place. The establishment and continuous improvement of a series of institutional frameworks have provided a solid foundation for the stable operations of the comprehensive agricultural cooperatives. The Chinese government has also actively supported the development of farmers' cooperatives through various means and channels. However, there are instances of inadequate implementation in practice, with some local governments failing to enforce policies with sufficient rigor. Additionally, the existing Farmers' Professional Cooperatives Law is not yet fully refined in certain details, leading to insufficient legal safeguards for cooperatives in their actual operations.

6. Breakthrough Strategies for Addressing Challenges in the Development of China's Farmers' Professional Cooperatives

6.1 Improving the Organizational Structure System

A sound organizational structure enables clear division of responsibilities and coordination of operations. The various industry divisions of the Korean Farmers' Cooperative not only have clear divisions of responsibilities but also emphasize coordination between departments, ensuring the smooth implementation of projects and the continuous expansion of operations. We can learn from the three-tier organizational structure of the Korean Farmers' Cooperative, clarify the functions and responsibilities of each level, optimize the organizational hierarchy, and ensure smooth communication between upper and lower levels and efficient decision-making. Establish clear management regulations and systems, conduct regular management training and evaluations to enhance the quality and execution capabilities of management personnel. Simultaneously, improve democratic decision-making mechanisms to ensure that every member has the right to speak and vote. Hold regular member assemblies to make major decisions, thereby increasing member participation and the democratic nature of decision-making. This will effectively overcome challenges in organizational structure and management models, promoting the sustainable development of agricultural cooperatives.

6.2 Combining Internal and External Efforts to Reduce Costs and Increase Efficiency

Given the widespread shortage of funds in China's cooperatives, efforts should be made to reduce costs and increase efficiency internally while attracting external support. Based on the actual conditions of cooperatives, unreasonable planning and construction should be suspended to avoid resource waste. Cooperatives should also actively seek market capital and strong government support to create favorable conditions for their development. However, it is important to note that government support should not be provided in a blanket manner but should be targeted and tailored to the specific needs of each cooperative to optimize the allocation of fiscal resources more efficiently. Achieving a good combination of market capital and government capital is an effective way to address the issue of capital shortages in cooperatives.

6.3 Guiding the Diversified and Integrated Development of Cooperatives

The development of farmers' cooperative federations has achieved tangible results worldwide. China can draw on international experience to actively develop comprehensive cooperatives based on specialized cooperatives, promoting the development of cooperatives in areas such as specialized services, credit, consumption, and land cooperation. Encourage mergers and reorganizations among cooperatives and project cooperation to develop cooperative federations. Cooperative federations possess both economic and social functions, which can strongly support the scale operation and industrialization of agriculture while effectively serving rural society and safeguarding farmers' rights and interests. They can fully leverage scale effects to achieve complementary advantages among cooperatives. Promote the dissemination and application of modern agricultural technologies by cooperatives to enhance agricultural production efficiency and modernization levels.

6.4 Update Marketing and Promotion Methods

China's farmer professional cooperatives lack effective brand building and maintenance, which affects the sustainable development of their brands. The local agricultural cooperative in Ancheng, South Korea, began brand-building

efforts as early as 1997, before the project was jointly launched, and consistently emphasized brand value creation throughout the project, earning widespread recognition from consumers. China's cooperatives should first enhance their local influence before expanding their reach, avoiding hasty actions. Leverage the cooperative's agricultural product advantages, tap into the consumption potential of online markets and target sales regions, precisely target customer groups to establish competitive advantages and foster consumer loyalty, and agricultural products brand value through multiple attributes. Building on green certification, add cultural value to agricultural products. Utilize KOL marketing and e-commerce live streaming to attract traffic, convert traffic into revenue for agricultural product operations, and maintain traffic as the key to sustained operations. This will further enhance the competitiveness and influence of brand products.

6.5 Optimizing the Policy Support System

First, strengthen policy support and increase fiscal support. The government can establish special funds to support the development of cooperatives. It can refer to South Korea's approach and provide subsidies and low-interest loans for the purchase of agricultural machinery, infrastructure construction, and technology promotion. Implement tax reduction and exemption measures for agricultural cooperatives. Second, improve legal protection and establish sound laws and regulations. Clarify the legal status, rights, and obligations of cooperatives to provide legal protection for their healthy development. Strengthen the enforcement of laws and regulations related to agricultural cooperatives. Provide legal aid services to help cooperatives protect their rights through legal channels when their interests are infringed upon. Third, optimize management and supervision mechanisms. Establish standardized internal management systems for cooperatives to enhance their management capabilities and operational efficiency. Set up independent supervisory bodies to conduct regular inspections and evaluations of cooperatives' finances, management, and operations to ensure transparency and integrity in their operations.

7. Conclusions

This paper compares farmers' professional

cooperatives in China and South Korea, systematically reviewing and contrasting their historical development, organizational governance, business operations and services, brand development and market strategies, policy environments, and typical cases. Based on this analysis, a transferable experience-problem-solution framework is proposed to provide empirical support and guidance for the high-quality development of cooperatives in China. The main conclusions are as follows:

(1) Coexistence of “homogeneous-heterogeneous” development models. Both countries' cooperatives have undergone a process of government-led promotion, establishment of legal systems, and gradual improvement of organizational and service systems. However, South Korea completed the integration of “organization-finance-services” earlier and formed a strong vertical and horizontal linkage, while China is characterized by rapid expansion in quantity and structural mismatches in quality.

(2) Organizational governance and member relations are key variables determining performance. South Korean cooperatives have significantly enhanced the service capacity and operational efficiency of grassroots cooperatives through optimized profit distribution and routine internal audit supervision. Chinese cooperatives, however, mostly originated from grassroots cooperatives, with relatively weak governance structures and professional management capabilities. The alignment between members' transaction-oriented behavior and profit distribution mechanisms is insufficient, and the effective participation in democratic decision-making and supervision is inadequate, constraining the formation of economies of scale and scope.

(3) Service boundaries and financial integration determine the comprehensive competitiveness of cooperatives. South Korean cooperatives have established a comprehensive service system covering the industrial chain and rural social undertakings through a diversified approach encompassing “production-processing-sales-finance-education/social security.” Chinese cooperatives generally still focus on production and primary processing, although they are accelerating their expansion into the entire socialized service industry chain. However, they still lag behind in terms of unified resource allocation, financial service

accessibility and depth, and technology promotion networks, resulting in weak brand premium and market risk resistance capabilities. This suggests that service diversification and financial integration are the core pillars for cooperative differentiation and sustained growth.

(4) Case comparisons highlight the importance of “institutional and contextual synergy.” China's “Tangyue Model” integrates “village-cooperative unity,” “land equity participation,” “unified management under the separation of three rights,” to break down barriers across the “organization-industry-governance-income growth” chain; South Korea's Jeollanam-do cooperatives have continuously deepened their efforts in branding, digitization, and green development, enhancing members' income and organizational resilience through comprehensive services such as technical training, market expansion, and international cooperation. Both cases demonstrate that, at different stages of development, the alignment of institutional supply, public services, and marketization capabilities determines the speed and quality of cooperative growth.

(5) The key pain points and solutions for the high-quality development of China's cooperatives are becoming increasingly clear. The pain points primarily lie in weak organizational governance, limited access to funds, an incomplete technology promotion system, insufficient brand and marketing capabilities, and the need for further refinement in policy implementation and legal safeguards. Corresponding solutions should be advanced in five dimensions—improving organizational structure, enhancing internal and external efficiency, moving toward diversified integration, updating marketing methods, and optimizing policy support—to form a synergistic effort and dynamic assessment loop involving institutional, capital, technological, market, and legal factors.

This study primarily relies on literature review and case comparisons. Due to limitations in the availability of microdata and cross-period tracking materials, it is currently challenging to quantitatively identify the causal mechanisms between governance and performance for different types of cooperatives. Additionally, significant differences in institutional frameworks and factor endowments between China and South Korea necessitate more

thorough contextual adaptation before experience can be effectively transferred. Overall, the comparison of farmers' professional cooperatives in China and South Korea indicates that robust institutional frameworks, effective internal governance, deep financial integration, and comprehensive services across the entire value chain are the pillars for cooperatives to achieve high-quality and sustainable development. Looking toward the goal of building an "agricultural powerhouse," China's cooperatives should advance simultaneously in "standardization, specialization, digitization, greening, and branding," with governance modernization as the driving force, to form replicable and scalable county-level models and industrial cluster pathways. This will enable them to play a greater role in enhancing farmers' organizational capacity, ensuring food security, and promoting common prosperity.

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