

THE TRANSFORMATION OF AGRICULTURAL PRODUCER COOPERATIVES: THE CASE OF VIETNAM

by

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Abstract

During the mid-1980s Vietnam experienced widespread hunger and malnutrition. This led to an economic reform process already before the transition in Central and Eastern Europe (CEE) and the former Soviet Union (CIS). Vietnam embarked on a unique way of decollectivization which followed neither the Chinese model nor the direction of agricultural transition among CEE and CIS countries. The collective farms had to be either transformed into service cooperatives based on share capital and voluntary membership or liquidated. Vietnamese farmers had to meet two challenges. They again had to manage their private farms as entrepreneurs. In addition, they had to create new supporting organizations. After a slow start many farmers were successful in transforming or establishing agricultural cooperatives for their support during the last decade. Three phases of institutional development can be distinguished. The main features of agricultural cooperatives are analyzed.

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