Opinion

China should make agricultural information more easily accessible

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In 1978, People's Republic of China (hereinafter, "China"), the most populous country in the world,[1] started its far-reaching market-economy reform. The reform has greatly transformed a mostly local rural economy to a global economy with international trades. China's economic reform towards a market-driven economy has widely been viewed as successful with impressive annual GDP growth rates over several decades.[2] However, China's current market-driven economy can improve on its efficiency, especially with respect to agricultural production to level the economic growth disparities between the rural communities and the urban communitiesso that the rural agricultural communities will not be further left behind. Unlike in most western countries, most notably in the USA, where agricultural data (i.e. crop production and price data, among other useful production information, including educational information) are readily available (for USA, the Economic Research Service[3] and the National Agricultural Statistics Service[4] units of the USDA provides free online retrievable comprehensive data of most crops - e.g. for wheat production, it provides a comprehensive list of wheat stock with weighted price from the 1866-67 to the most current 2016-17 market year) to the public online for free using modern telecommunication technologies, in China finding similar data online is a much more challenging task.

Why are easily accessible agricultural data important?

Unlike its past centrally-planned economy where production quotas with set prices were provided by the government to the producers, in a market-driven economy, individuals producers need to have timely and easy access to reliable agricultural data (production and market price information) to plan their production activities. Over-production means a depressed price and a wasteful and inefficient use of resources for such production; under-production may mean severe shortages of food supplies, that many Chinese may still have horrific memories of the Great Leap Forward Famine years of 1959 to 1962.[5] Although China may rely on import to supplement the food demand of its huge population, it is a weak-link in the country's food security. China's recently abolished Corn Stockpiling Program (2007 to 2016) is illustrative. Although at one time the Program ensured corn production and hence provided an impression of food-supply security, the program was highly inefficient. It has been estimated that the Corn Stockpiling Program cost the government over US$10 billion[6]while much of the stockpiled grains were so moldy or deteriorated that they were no longer suitable for human consumption or for use in animal feeds.[7] The program also did not provide sufficient incentives for producers to innovate – production-wise, or market-wise, both are crucial for a market-driven economy and for privatization. Sound business decisions in the private sectors rely on the availability of data in a timely manner. Agricultural production is no different. With the advances in telecommunication and satellite surveillance technologies and with a population of increasing Internet users,[8] China may very well increase its agricultural production and market efficiency by putting more agricultural data online for easy access. Improvement in agricultural production and market efficiency will lessen the disparities between China's rural communities and urban communities and may also incentivize innovations.

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Conflict of interest

The author declares no conflict of interest.

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