

# **The Transformation of Agricultural Producer Cooperatives – The Case of Vietnam**

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## Abstract

During the mid-1980s Vietnam experienced widespread hunger and malnutrition. The economic reforms starting in 1986 opened the way for a rapid agricultural development. The collective farms had become obsolete. Vietnamese farmers had to meet two challenges. They had to manage their private farms as entrepreneurs, again. In addition, they had to create new supporting organisations. Vietnam embarked on a specific way of decollectivisation. Contrary to e.g. China where collective farms had been abolished or many countries in Central and Eastern Europe (CEEC) where they could be transformed in agricultural producer cooperatives based on voluntary membership or other types of business entities focusing on agricultural production, collective farms in Vietnam had to be either transformed into service cooperatives based on share capital and voluntary membership or to be liquidated. In addition, new cooperatives could be established. During the last decade many farmers had been very successful in transforming or establishing agricultural cooperatives to their support. Three phases of institutional development can be distinguished. The major influencing factors will be analysed.

Key words: private farming, agricultural cooperatives, transformation, Vietnam

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