

Title Do citrus growers benefit from participating in cooperative? A case study of China
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Abstract

Economic globalization and industrialization have caused financial, technical, and marketing hardships among citrus growers in the developing countries. A large number of researchers strongly believe that to participate in a cooperative is the best way to help the citrus farmers to go through the hardships. Based on household-level survey, the paper analyses the dynamic change of farmer welfare level in China, if they participate in the cooperative. The results show that higher welfare level could be achieved for participants with additional entry cost. Among the factors affecting the Growth of welfare level, technical, financial and marketing economies of scale contribute to the increase of their welfare while the influence of industry and traditional institutions are non-linear. Therefore, citrus growers can benefit from participating in cooperatives if the negative influence from the industry and traditional institutions could be controlled. Peasant organizationalization may be a new engine to promote the economic development of rural areas in developing countries.