

Feasibility Analysis of Rural Cooperatives Participating in Internet Economy in Old Revolutionary Base Areas

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Abstract. In recent years, the popularity of "Internet +" has been increasing. More and more industries have achieved leapfrog development through the combination with the Internet. This paper puts the research area in the special old revolutionary base area. The environment is more complex. Poverty alleviation through the participation of rural cooperatives in the Internet economy has also been a persistent goal of local governments. This paper mainly use the SWOT model to carry on the feasibility analysis.

1. Introduction

The concept of Internet + was first proposed by premier Li Keqiang in 2015. Since then, the Internet has been continuously integrated with traditional industries to achieve leapfrog development. Especially in the agricultural industry, with the continuous development of e-commerce, more and more rural areas are getting rid of poverty through e-commerce. However, in many old revolutionary base areas in China, due to special reasons such as geographical location, traffic conditions and ideological level, many old revolutionary base areas still have not been completely lifted out of poverty. This paper will take Yichuan county of Yan 'an as an example, take Taochi fruit cooperative in Yichuan county as the object, and use SWOT model to analyze the feasibility of rural cooperatives participating in the Internet economy.

2. Advantages of rural cooperatives in the old revolutionary base areas participating in the Internet economy

Suitable climate, high quality products. Yichuan county of Yan 'an is located in hilly and gully region of loess plateau, with deep soil layer, hot rain in the same season and no pollution. The average altitude of the whole region is 1000 meters, the annual average precipitation is 550 mm, the annual average daily temperature is 9.4 degrees Celsius, the sunshine hours are 2458 hours, the temperature difference between day and night is 13-15 degrees Celsius, frost-free period is 172 days, here is the best base for the production of high-quality apples. At the same time, the superior natural environment makes the quality of local pepper, walnut is far higher than similar products in other regions. These agricultural products enjoy a high reputation at home and abroad.

Planted area is extensive, produce yield supply is sufficient. Yichuan county's apple, pepper, walnut cultivation area is very wide. The area is sparsely populated, with large areas of low hills for crop cultivation. In recent years, Yichuan county's crop planting area of about 132,000 mu, apple production more than 500,000 tons. The volume of agricultural output provided sufficient reserves for local rural cooperatives. When an order comes in, you don't need to purchase additional products from other regions to meet the requirements. Adequate production provides a guarantee for the sustainability of rural cooperatives' participation in the Internet economy.

Strong regional characteristics, products signboard loud. Yichuan county's pepper, apple and other crops in the local and even the country has a high reputation. The loud agricultural product signboard laid a solid foundation for the agricultural products to go out of the mountains.

3. Disadvantages of rural cooperatives in the old revolutionary base areas participating in the Internet economy

Natural disasters in this area sometimes lead to damage to farmland or crops. This has led to crop failures in some years due to natural disasters. Take pepper for example. In the spring of 2018, due to the cold snap. Most of the peppercorns in Yichuan county were frozen. As a result, the harvest of peppercorns in 2018 was almost zero. The instability of supply will directly affect the stability of orders after rural cooperatives participate in the Internet economy. No business wants to bet on natural disasters.

The mountainous area road is rugged, the transportation is not convenient. There are more mountains in Yichuan county. There is no good transportation network. Due to the scattered living of farmers, the agricultural products must be transported out of the mountains through rugged mountain roads to be unified. Inconvenient mountain roads make it impossible for large trucks to enter, which greatly affects the efficiency of product transportation.

Farmers' ideas are backward and the shareholding model is difficult to regulate. If you want rural cooperatives to participate in the Internet economy, you must first establish a cooperative. However, the locals are mostly lonely elderly people who stay behind. Most of them are low-educated and have no keen business acumen. In their view, money must be held in your own hands to be assured. So how do rural cooperatives buy shares? Using money? How many acres of farmland? Using agricultural output? The difficult to standardize shareholding model makes it difficult for rural cooperatives to connect to the Internet.

4. Opportunities for rural cooperatives in the old revolutionary base areas to participate in the Internet economy

E-commerce platforms have grown and the Internet economy has developed. With the advent of the Internet era, many e-commerce platforms have developed and grown. The new mode of "Internet + agriculture" has promoted the rapid development of e-commerce of agricultural products, and formed a new breakthrough point for increasing farmers' income and agricultural efficiency. At the same time, Internet finance has the characteristics of rapid, efficient and convenient financing and plays an important role in the initial development of rural cooperatives.

Targeted poverty alleviation by the government takes advantage of national policies. In recent years, the state has increasingly attached importance to targeted poverty alleviation in rural areas, and issued many relevant policies and subsidies to encourage qualified rural cooperatives to develop credit cooperation. And special funds are used to support rural cooperatives to enhance their service functions and self-development capabilities, which provides considerable convenience for the initial development of rural cooperatives in the old revolutionary base areas.

Well positioned, driven by One Belt And One Road. Yichuan county is located on the Weibei rainfed highland plateau and along the Yellow River. It belongs to the hilly and gully region of the loess plateau and the semi-humid region of the warm temperate zone. It has four distinct seasons, rain and heat in the same season. Relying on the construction of One Belt And One Road, it will bring precious opportunities for "going out" and "bringing in" of local agricultural products, capital, technology and brands.

5. Threat for rural cooperatives in the old revolutionary base areas to participate in the Internet economy

Less scientific research funds, professional talent is scarce. Shaanxi province is strong in science and technology, but also weak in economy. At present, the funds available for scientific research

and development are very limited. Under these conditions, the enthusiasm and creativity of scientific researchers can hardly be fully exerted, which results in great waste of scientific and technological talents. At the same time, due to the lack of effective incentive mechanism and the limited ability of scientific and technological innovation, the scientific and technological strength of talents in northern Shaanxi has not been fully developed.

The reality is complex and the implementation of policies is difficult. Shaanxi is a province in northwest China with a total area of 205,600 square kilometers. It is the 11th largest province in our country. It has a complex terrain, a large population, and includes at least five ethnic minorities. Living deep in the inland also leads to a big gap between this province and the southeast coastal cities in terms of the openness of mind and the acceptance of new things. The reality of the situation is complex and changeable, so there will be many practical problems in the process of policy implementation.

Existing market is narrow, market promotion is more difficult. Agricultural products are based on individual households, and the number of farmers is relatively large and dispersed. This method has small regional coverage, low management level, and high energy cost. Channel members are difficult to accurately understand the market demand and blindly produce, which is prone to the phenomenon of disjointed production and marketing. The existing sales mode limits the promotion of agricultural products in Shaanxi province and the expansion of market share, which limits the development of agricultural products in the old region and threatens the market promotion and development.

6. Conclusion

Based on the above analysis, the rural cooperatives in Yichuan county of Yan 'an have both advantages and disadvantages in participating in the Internet economy, as well as both opportunities and threats. But the overall trend is for the better. As long as the local government can increase its support, promote infrastructure construction and strengthen the defense against natural disasters, rural cooperatives can be lifted out of poverty by participating in the Internet economy and mutual economy.

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