

Traditional Crafts And Rural Economic Development: Case Study Of Traditional Rural Handicraft Industry In Yunnan

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Abstract

The Baishapo Yi village in Yunnan China is located in the middle of the mountainous area. Due to the drought and low precipitation in successive years, the vegetation gradually degenerates and the land is rocky desertification, a sharp decline in crop yields year after year. Large numbers of young and middle-aged farmers have given up on farming and have gone to cities to find new jobs. Local farmers, especially the poor left-behind women, need to find new approach to increase their income. Therefore, relying on rich ethnic cultural resources, Baishapo Yi village has tried to develop the handicraft industry with female craftsmen as its core elements. This study takes case analysis as an entry point and attempts to explain the feasibility of using the handicraft industry to cover the shortage of agricultural production.

Keywords: *Rural Economic; Handicraft Industry; Poor Women; China*

1. Introduction

The debate about the role of government has always been a constant hot topic, and the focus of its debate is mainly on the extent to which the government participates in the economy, that is, the scale and scope of the government (Hughes, 2012). The government is the carrier of the public sector, as well as the framer and helmsman of laws, regulations and systems. In other words, the public sector is the product of public and political decision-making and is the result of the role of the market process (Hicks, 1958). As an important role in protecting natural resources, providing public goods and services while maintaining a healthy competitive relationship (Anderson, 1989), the government, especially local governments, has become the most crucial factor in the development of rural economy.

In many economically underdeveloped rural areas, because they do not have the conditions for industrial development and agricultural development, relying on local traditional culture, especially the development of characteristic industries by ethnic minority cultures, to achieve economic growth has become a new development path. It covers ethnic handicraft industry, ethnic cultural tourism industry, ethnic performing arts industry and many other projects. And this idea of relying on cultural development industries to promote economic development usually involves a question: how to develop in protection, that is, to develop and protect culture.

Although some scholars have suggested that efforts to protect intangible heritage tend to follow the information society model, it is recommended to list the heritage and then remove it from the public domain and return to its presumed creator's proprietary control (Brown, 2005). However, even so, the transfer of this "control" still needs to be promoted and completed by the government as an agent of legitimacy. Furthermore, in the areas where ethnic minorities live, how can local governments as the direct helmsman balance the relationship among various stakeholders and implement policies rationally and legally, while promoting local economic development and protecting ethnic culture, is a topic worth exploring.

Takes on the development of Yi embroidery industry as a case study, this paper analyzes the current situation and problems of rural economic development model reflected in the process of local traditional handicraft industrialization. In this case, private companies (mainly leading companies), industry associations, and farmers work with local governments to explore ways to promote rural economic development with the handicraft. If such multi-party cooperation and cooperative development can be formed into a reasonable and effective local governance network, the various stakeholders in the network can succeed in promoting economic development through the development of the handicraft industry. This paper argues that the role of local government in this governance network is particularly important. This paper attempts to develop bottlenecks from the perspective of local governance and try to propose solutions.

2. Status overview

Located in the southwestern border of China, Yunnan has a vast territory and rich ethnic culture. However, due to such factors as being inland and location-closed, the economic and social development of some minority communities

in Yunnan is lagging behind, the urban-rural dual social and economic structure is obvious, the social development degree is not high, the infrastructure construction is seriously backward, and they fall into the "underdeveloped" situation. Most of the economically underdeveloped areas of Yunnan ethnic minorities are located in mountainous or semi-mountainous areas, away from the national political core areas and economic hubs, and the natural environment is harsh and ecologically fragile. This status quo leads to high development costs, that is, it is difficult to achieve modern agricultural development and does not have the basic conditions for industrial development. But it is precisely because its location deviates from the central area of social and economic development, so that local ethnic minorities can preserve and inherit their rich and colorful history and culture to the greatest extent. In such areas where industry and modern agricultural development do not have the corresponding conditions, relying on the fertile ethnic minority culture to develop characteristic industries, promoting their own economic development, and driving farmers to increase their income and achieve sustainable development have become the primary choice. However, in the process of realizing the transition from traditional ethnic culture to characteristic industry, it is bound to encounter a series of problems. If there is no scientific and reasonable countermeasures to solve these problems, it will lead to its development eventually getting into trouble.

Changes in production methods

• Traditional production method

After the busy farming, the Yi women in Baishapo Village will sit and chat in the fire pond. The age of marriage for women here is generally earlier. It is one of the criteria for the mother-in-law to choose daughter-in-law when they are able to embroider the housework. From the beginning of sensibility, the girls followed the mother and other female elders to learn embroidery skills. There are no textbooks, nor systematically standardized teaching courses. The embroidery skills of Yi girls are usually obtained through the oral teaching of elders and their own comprehension of embroidery art. One of the great motivations for the Yi girls to master this technology is that part of their dowry needs to be made by hand. Not only that, but the necessities in life, such as clothing and household items, need to be made by girls. In order to meet the needs of such production and life, it is necessary to carry out copying and production of a certain scale with simple tools. In traditional societies, most of this reproduction and production is "local", that is, reproduction, production, and circulation in specific areas or regions. For a long time, the production of Yi embroidery in Baishapo Village has been carried out in such a self-sufficient manner and has been circulated in a limited area. This mode of production satisfies the spiritual and cultural significance of the nation and meets the production and living needs of local villagers.

• Enterprises combine farmers method

In 1996, the first traditional hand embroidery enterprise in Baishapo Village was formally established. In the more than ten years since its establishment, the embroidery enterprise organized local embroidery craftsmen (mainly women) to produce a large number of embroidery products with strong national characteristics. These embroidery products were recognized by consumers inside and outside the province in the following years, and were once known as "Yunnan brand embroidery". At the beginning of the establishment of the first embroidery film marketing company, several embroidered women were hired from the village to create several large-scale embroidery products. The company brought these embroidery products full of Yi culture to the exhibition. After gaining praise and confirming that these embroidery products have certain market potential, the company began to accept a certain amount of orders. As the number of orders increased, the company had to change its usual form of production organization. In order to ensure the differentiation and characteristic production of local embroidery products, the company did not use machines instead of labor, but insisted on pure hand-made, and tried to ensure that orders were completed on time and in volume by expanding the team of craftsmen. Therefore, the company began to try new business methods with the model of "enterprise combine farmers" that was popular at the time. This move allows more Yi women in Baishapo to join the cooperation with local embroidery enterprises. The company agreed with the women on the quantity and purchase price of embroidery products by oral contract, and provided them with all the raw materials needed for embroidery production.

For a long time, farmers in Baishapo Village have used traditional agricultural cultivation to maintain their livelihoods. Why can they be persuaded by the company to make embroidery products? The view that small farmers are backward and backward in traditional agriculture and economic behavior is not rational is wrong. Farmers around the world are the most profitable "businessmen" when considering costs, profits and avoiding various risks. For example, farmers who are accused of ignorance have their own careful consideration and planning, such as different types of crops, the number of crops and cultivations, the time of sowing and cultivation, the time of harvesting, the use of various tools, the channels of irrigation, the cooperation of working animals and simple equipment. It can be said that the peasants have arranged all their activities in a relatively small and independent field in a relatively reasonable and efficient manner (Schultz, 1964). This also raises the problem that although the embroidery craftsmen joined the company's

embroidery production team in order to increase their income, they still cannot fully believe that focusing on embroidery can replace agricultural income as the main source of income. Therefore, the embroidery artists often make interference with agricultural production and housework, and there is no contractual document, so the efficiency is not high.

In fact, this is not difficult to understand. Farmers are efficient and rational economic people who are enterprising in the traditional state of technology and who have made the most of the profitable production opportunities and resources. However, a series of irrational behaviors in real life, such as farmers not accepting grain seeds to get rid of poverty, are caused by the technical requirements and knowledge scope of cultivating new improved seeds beyond their grasp, which may lead to the result that the Output is lower than that of traditional varieties. If the adaptability of a good variety to natural conditions is as strong as that of a traditional breed, then the ability and speed of small farmers to accept new varieties will be as fast as the capitalists. This also fully reflects the rational response of small farmers in avoiding risks. The farmers in Baishapo Village know that the low-yield of agriculture will bring pressure to their future survival. Therefore, when there is a chance to make money around, even if the reward is not satisfactory, the farmers will actively try it at the beginning. This allows the embroidery company to seize the opportunity to establish cooperation with the local embroidered girls.

After the cooperation between the enterprise and the embroidered craftsmen has been maintained for some time, the company gradually found that because agricultural production is still the main source of income for the villagers in Baishapo, the Yi women need to invest more energy and time to be engaged in agricultural production. Therefore, the female-dominated craftsmen only use limited leisure time for embroidery production, which makes the quality of embroidery products not high or the farmers' defaults are intensified. It is a big loss for enterprises that provide embroidery materials free of charge. Craftsmen also found that the price of the purchase of embroidery by tourists who traveled through Baishapo Village in some time was much higher than the purchase price of the company. Therefore, in the absence of third-party supervision and contractual constraints, the embroidery craftsmen's breach of contract has occurred.

After listening to the company's demands, the local government took the lead in setting up the "*Baishapo Village Embroidery Association*" in Baishapo Village, and hoped to coordinate the relationship between the company and the farmers so that the cooperation between the two parties could continue. So far, the three-party cooperation model of the Yi embroidery industry association, enterprises and farmers in Baishapo Village has begun to take shape.

• *The method of association unites companies and farmers*

The Baishapo Embroidery Association was established in 2009. At the beginning of its establishment, it had one president, two vice presidents, four committee members and thirty members. Up to now, the number of members of the association has increased to more than 300, and the members have radiated the surrounding five Yi villages, showing an increasing trend. The Baishapo Embroidery Training School was established at the same time as the Embroidery Association. The purpose of the school was to provide members with a free place to learn and communicate. This opportunity was used to embroider the company to introduce many new techniques from other places, trying to enrich the craftsmen's embroidery skills that make the embroidery variety more diversified to meet the needs of the market. The establishment of the association is spontaneous. Its purpose is to coordinate the relationship between enterprises and craftsmen, its binding force and influence on various stakeholders are limited due to its lack of absolute legitimacy and rationality (Weber, 1978). During this period, although the local government expressed its affirmation of the role of the association, it did not really effectively intervene in the local embroidery industry for a long time.

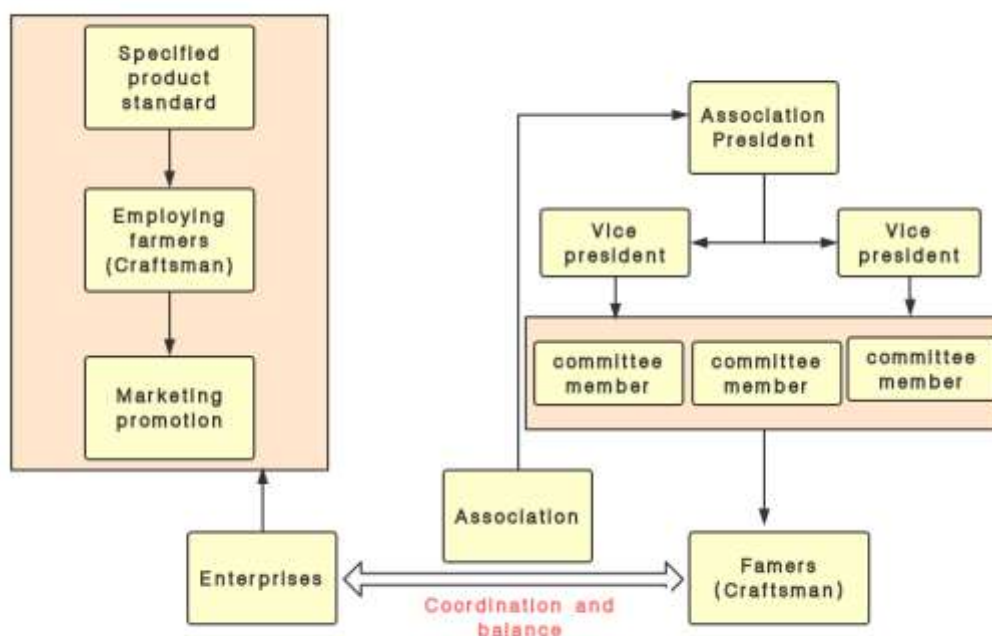


Figure1. The production organization of association unites companies and farmers

3. Development dilemma

After three stages of development: traditional production, enterprises combine farmers and association unites companies and farmers, the development of Yi embroidery in Baishapo Village began to enter the bottleneck period.

The dilemma of the famers (craftsmen)

Embroidery is mainly done by women. Although Yi women mostly master embroidery skills and are willing to create embroidery to create income subsidies for household use, but the production of embroidery products is regarded as unstable income, so their enthusiasm is limited. At the same time, Yi women also need to help their families to carry out agricultural work and housework. If there is no reliable guarantee for them to get stable compensation from embroidery production, they can not concentrate on the production of embroidery crafts. In addition, the unfair distribution of interests between embroidery enterprises and craftsmen makes embroidery become the labor adjustment of the current leisure and household chores of Baishapo Village. Very few people will seriously consider embroidery production as their own occupation, that let it completely replaces the benefits of agricultural production.

Not only that, on the one hand, when some embroidery marketing companies were in a difficult position, they unilaterally dismissed the cooperation with the craftsmen, causing them to lose time and not get paid as promised. On the other hand, some craftsmen often sell embroidery to others because the price is higher than the companies purchase price because they have no legal contract documents with the companies. As a result, the mutual trust between the companies and the farmers is therefore at stake.

The dilemma of the enterprises

Only when the enterprise is in a completely competitive market, its behavior does not have an absolute impact on the market structure, market price and supply and demand relationship. In some monopoly markets or oligopolistic markets, because some enterprises have a certain degree of market control, they can change the structure of the market, influence or determine the relationship between market price and supply and demand, so as to ensure their own control over the market, expand or Maintain corporate market share. Generally, companies with certain market control capabilities will not give up the use of this power to obtain a more favorable market position and thus gain greater benefits. At some point, this behavior may be a normal means of self-protection and strategy, but its consequences are likely to constitute a negative effect of damaging common interests and limiting benign competition. The development of the Yi traditional hand-embroidered in Baishapo Village is inseparable from the excavation and driving of the first embroidery enterprise in Wenshan. The active performance and important role of the first embroidery local enterprise made it occupy a pivotal position in the local embroidery industry. This makes the business model of the company

show exclusivity to a certain extent, that is, vertical restrictions on competition and industry monopoly. This monopoly situation not only leads to the unfair dialogue between enterprises and farmers, but also makes enterprises lack of competition consciousness and mechanism in the development process, making it difficult to resist risks and crises that may appear at any time.

It is undeniable that the organizational model of cooperation between the company and farmers has played an active role in alleviating the contradiction between farmers and the market, reducing the market risk of farmers, saving transaction costs and increasing the income of farmers. However, the interest mechanism between the company and the farmers is not perfect, and there is no institutional guarantee for risk sharing and benefit sharing in a strict sense. The monopoly of the embroidery enterprise market led them to recover the embroidery pieces from the craftsmen at a relatively low price, and sold them several times or even dozens of times the recycling price, directly damaging the interests of the craftsmen. Craftsmen are directly in a weak position in the distribution of interests, and it is difficult for embroidery companies to mobilize their enthusiasm. Enterprises and farmers cannot form a stable and reasonable risk sharing and interest linkage mechanism, which will inevitably reduce the enthusiasm of farmers and restrict the development of enterprises.

The dilemma of the association

Industry associations are independent organizations, not government affiliates. They are not managers of enterprises, but service providers and representatives. Only by exerting their supervisory, coordination and information services functions can associations have the meaning of establishment and existence. Therefore, in order to avoid the association becoming a tool for the company to seek its own interests, the boundaries between the association legal person and the company legal person must be clear. Some of the managers of the Baishapo Embroidery Association are from the embroidery enterprises, so the association is also alienated to the tools of the enterprises to some extent, rather than the “bridge” between the farmers and the enterprises. When the operation of the embroidery enterprises are in trouble and the farmers are confused when they can't find the acquirers at a time, the hidden dangers of the association at the beginning of its establishment will be revealed. The immature associations seem to have nothing to offer when faced with a series of challenges.

At the crucial moment, the essential functions of the Baishapo Embroidery Association are seriously lacking, and members of the association have to wait and see. Because the juridical person of the embroidery association and the juridical person of one of the embroidery companies are the same person. As mentioned above, this situation has led to the association not being able to maintain objectivity and independence as originally envisaged. Therefore, when the dilemma arises, the association's response is not how to coordinate the relationship between various stakeholders to achieve stable and sustainable development, but how to minimize the company's losses. Therefore, in fact, this association is the voice and spokesperson of the enterprises, and the interests of the farmers (that is, the craftsmen) cannot be guaranteed.

At this point, the industrialization of the traditional Yi embroidery in Baishapo Village has completely fallen into a difficult situation. Worse, because of the lack of management and supervision of scientific systems, embroidery companies have introduced embroidery techniques and embroidery patterns from other regions in the marketing process. This led to the traditional culture of the Yi with many other elements, and the protection of its unique cultural connotation was also challenged.

4. The conception of local public governance network

In view of this situation, it can be seen that the key to the problem lies in the lack of a legitimate and reasonable helm to balance the relationship among various stakeholders in the development of Baishapo Yi embroidery industrialization. It is undeniable that in the process of industrialization of Yi embroidery in Baishapo Village, local government is not completely absent. However, due to lack of policy support and clear administrative instructions, the local government did not become the ideal helmsman that establish and guide the improvement of the governance network. The concept of governance has a broader scope than the word government, and its importance is becoming more apparent both in the public and private sectors. The positioning of the government is more inclined to the exercise of authority, and the positioning of governance is wide. For example, there may be no government governance (Rhodes, 1996), so from a better perspective, governance is a formal or informal process and system that guides and controls group activities (Keohance & Nye, 2000).

As can be seen from the case of Baishapo, the lack of government governance as a helmsman is obviously not feasible here. Governance essentially controls how institutional arrangements are steered, that is, how to organize and how to

develop procedures that enable the organization to function (Hughes, 2012). Therefore, thinking about governance is to think about how to control the economy and society, and how to achieve common goals (Pierre, Jon& Peters, 2000).

Problem wickedness

As mentioned above, this paper analyzes the dilemmas encountered by the association, enterprises and farmers in the development of Baishapo embroidery industrialization. It is undeniable that these problems need to be solved one by one, and the first thing that should be solved is the important and urgent problem, that is, to regulate the management of the market.

Based on this problem, it can be assumed that reshaping the local governance network with the local government as the helmsman may be an effective way to solve this problem. Although the role of the government has been the focus of debate for a long time, its roles cannot be denied. These roles are: 1) Providing the basic framework for economic development; 2) Providing various public goods and services; 3) Resolving and coordinating group conflicts; 4) Maintaining competition; 5) Protecting natural resources; and 6) Ensure the accessibility of goods And services; 7) Maintain economic stability. (Anderson, 1989) The special attributes of local governments allow them to not only communicate the central government's policy guidelines, but also facilitate direct dialogue with various stakeholders. Local governments are both a bridge and a balance between the different stakeholders.

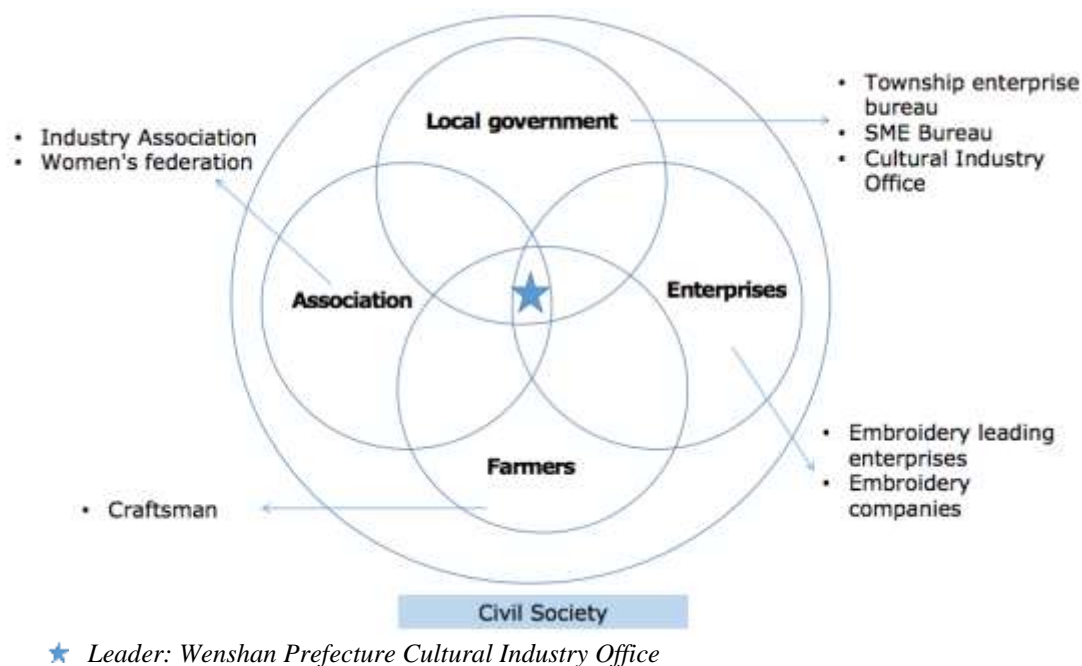


Figure 2. Local governance map for Baishapo Yi embroidery industry

It can be seen from the public governance network map that the Wenshan Prefecture Cultural Industry Office is the best choice for local government spokespersons. The Cultural Industry Office serves as the government's functional department in charge of the cultural industry. It is not only the promoter and actor of the cultural and economic policies of the superior government, but also the supervisor and protector of the cultural market. Therefore, to solve the problem of the market regulation of the Baishapo Yi embroidery industry, the Wenshan Prefecture Cultural Industry Office should be the starting point.

Action strategy

- Introduce benefit sharing mechanism

The participating entities in the traditional embroidery of Baishapo Village aim at maximizing their own interests. When the partners have common interests and expect to realize their respective interests, the cooperation can be carried out and the cooperation network can be established. At the same time, a market-oriented benefit distribution mechanism is formed to scientifically and reasonably handle the distribution of interests between farmers and enterprises, and to realize the sustainable development of traditional embroidery in Baishapo Village. To establish farmers' awareness of the dominant position of the market economy, under the premise of taking into account the

interests of other entities in the interest community, priority should be given to protecting the interests of farmers, establishing interdependent economic interests, increasing incomes of farmers, increasing efficiency of enterprises and social welfare. In this process, the Cultural Industry Office can take the lead in building a risk fund system to reduce market risk and strengthen and stabilize the cooperation between embroidery producers and acquirers. The cooperation between the enterprises and the farmers has been carried out smoothly, and a stable and efficient form of interests cluster has been formed among the partners, thereby achieving multi-win.

- Sound supervision and restraint mechanism

The Cultural Industry Office needs to supervise the signing of formal written contracts by various stakeholders to avoid and reduce the breach of the contract by one party to the transaction and thus undermine the partnership. At the same time as the establishment of the cooperative network, a system of compensation for breach of contract can be set up. If one of the parties defaults, a certain fine will be imposed. At the same time, the Cultural Industry Office can supervise the association to regularly introduce a scientific and reasonable evaluation and inspection system, and conduct performance evaluations on the management and members of the association. In addition, the Cultural Industry Office can also establish an industry credit system to strengthen the role of market supervision and ensure the quality of embroidery products, thus establishing a good reputation for the brand.

- Establish a long-term mechanism

The establishment of the long-term mechanism mentioned here mainly refers to the long-term and effective role of the Wenshan Prefecture Cultural Industry Office. The proper participation of the government can play a guiding role in the early stage of the development of traditional embroidery. However, as its development matures and is on the right track, the government should weaken its intervention in microeconomic activities and instead focus on the macro-control function of the embroidery market. This government-led long-term mechanism is a major feature of the development of cultural industries in ethnic areas, and is applicable to the development of traditional hand-embroidered Yi people in Baishapo Village.

5. Conclusion

The case of the industrialization development of Yi embroidery in Baishapo Village has general characteristics; the analysis of it can reflect the universal problems in the development model of rural economy promotion with traditional handicrafts. This analysis believes that local governments, as the helm of local governance network construction, have an important influence. Among them, because the traditional handicraft not only has economic attributes, but also has cultural attributes, the department of the Cultural Industry Office is regarded as the best performer to optimize the development of the embroidery industry. Introduce benefit sharing mechanism; sound supervision and restraint mechanism, at the same time establish a long-term mechanism is the possible and effective ways to solve the problem.

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