The Rural Market Cannot Be Separated from the Food Safety*

Hou Dongmei¹, Zhu Yan²

¹Economics and Management Department Yibin University, Yibin, Sichuan, China 644007 ²Yibin Cuiping Tanghu Foreign Language School, Yibin, Sichuan, China 644000 36159945@qq.com

Abstract - In the vast rural market, food safety plays a vital role. Why the food safety problems emerge in an endless stream is that producers, customers and supervisors can not perform a good cooperation. They all make choices out of their own interests. Thus, they formed a tripartite confrontation among each other.

Index Terms - Food safety, producers, consumers, supervisors

I. Introduction

With the fast development of economy, new food continuously appears in the market. However, food security issues seem to "invade" people's lives at an increasingly fast pace, especially in rural areas where there are still many people ignoring these problems. In this paper, through the analysis and discussion on the causes of these problems, the aim is to seek the source of food safety problems existing in the rural market.

II. Producers - The Source of Food Safety Issues.

A) Huge profit attempts producers to go against the occupational ethics

Producers, out of their own interests, forget about their conscience and basic occupational morality in the food-making process, which is a major cause of inferior products. Producers' products is to meet the demands of their customers and to gain profit through the transfer of value so that their own needs can be met. Producers are profit seekers. Although, in real life, we can still meet people who are "immune to temptations" and " insistent on their morals even when in poverty", most people will more or less have a desire for money and benefits. When this desire expands: when the profits are in front of us, it is very hard for us to just regard money as dirt, even though we all know that "the nobles love money, but they take it in a legal way". So this is why many manufacturers give up their conscience and occupational morality, focusing on profits and ignoring the majority of people's benefits. In addition, in the rural market, producers are mostly famers with low educational level; they do not have high cultural accomplishment, nor do they participate in the special occupational training, which leads to their low occupational morals and insufficient understanding of food problems. When confronted with interests, it seems to be a common choice for them to give up their principles.

Under this temptation, producers give up conscience and basic occupational ethics and use inferior materials to make non-standard products. They take advantage of people's ignorance of food safety issues in rural areas and expand product sales massively in rural market. This is the main cause of serious food safety problems in the rural market.

B) The food industry chain is not standardized, leading to endless food problems.

For most food in rural market, working environment and product distribution are not standard, which provides possibility for the product problems. But in cities, brand manufacturers usually adopt mass production of food, featuring the division of the production process, assembly line, parts standardization, mass production and mechanical duplication of labor. This is why the safety problems are less in cities. But for the low-end sales, even products that are far from meeting the quality standards in the rural market, the case is quite different. Many producers with little legal awareness earn more profit by illegally using other companies' trademark or packaging to mislead their customers. It is very hard for customers to tell the difference between the authentic name-brand products and the fake ones. Food production has many hidden dangers. The majority of the production environment and the product distribution are not standard. This provides the opportunity and possibility for food problems. According to the bulletin of national reports on public health emergencies and food safety regulatory, a total amount of 108 cases of food poisoning happened from January to May in 2010, in which 2452 people were poisoned and 56 others died2. A lot of small workshops with no self quality-checking system sell the products without having them checked. These products are produced by outdated equipment and poor-skilled workers using old methods without any quality inspection or supervision. Plus, this kind of product is often made from inferior or inadequate materials, which causes endless food safety and quality problems.

The credit system is not perfect, either. It is another important reason why the problems of food safety rise. In recent years, in order to establish and improve the long-term mechanism for food safety supervision in circulation, all parts of the business sector strengthen the construction of credit classification supervision system. According to the requirements of the State Administration for Industry and Commerce, all food operators around the area should set up food safety credit files in 2012. These operators are also put under the credit classification supervision. The country has

.

This paper is the research project of Education Department in Sichuan province in 2012, Project Number:12SB177

strengthened the supervision of food product, which proves the importance of the credit system. However, the rural credit system still needs improving; the food production is experiencing a serious credit crisis. Many manufacturers do not have a clear idea about the properties and using ratio of the materials; they even mix the materials with others without knowing if it is ok to do so.

III. Customers -- the pusher of food safety issues.

A) Customers' overall educational level in rural areas is low and the ability to distinguish bad products from the good ones is poor.

They have no idea how to deal with this situation, which counts for another main reason of the food safety issues.

In rural market, although some customers are aware of the harms of unqualified food, but they will be at a loss about the food safety problems because of their low educational level and poor distinguishing ability. Plus, they know little about the reason why food safety issues occurred and what the consequences might be. This is where professional inspectors are needed to protect our rural food market.

In addition, in the rural market, regulatory authorities are not strict and publicity of the importance of food safety is insufficient; farmers' safety awareness is relatively weak; the situation is worsen by the lack of awareness of self-protection from food safety and neglecting the quality of products. Some rural customers will just blame their bad luck after the purchase of substandard or counterfeit products with no intention to protect their legal right as customers, which makes the producers believe in their "luck" that they can get away with this illegal act every time they commit it. Most illegal producers in the rural market just take advantage of farmers' ignorance of the food safety and the faint awareness to protect their legal rights. They produce fake and shoddy goods, which imposes a great threat to their customers' health.

B) The customers' low income and low consumption levels provide a broad market for cheap problematic food.

Although our economic development is rapid in recent years, but the per capita living standard is not very high because of China's large population. Plus, the rural economic level is relatively low. Some rural families cannot even get adequate supply of food and clothing. In recent years, CPI continues to rise, among which food prices rise by a big margin. Under this economic situation, price advantage of inferior product is more outstanding. Inferior products make low cost and cheap product possible. This advantage meets the consumers' needs for food and low price to a certain extent. Some farmers consider, out of their own economic capacity, that they are more willing to choose these products for their lower prices. Thus, they ignore the quality and safety of the food, which offers illegal producers openings to make their way into the market.

IV. The supervisors—the prompter of food safety problems.

A) The food safety law and supervision system require improvement.

China's current food safety law and supervision system are

not perfect. In some areas, severely weakened supervision system is not even close to affecting producers' illegal acts. Although China's "Food Safety Law" still needs to be perfected in many aspects; but in many remote rural areas, supervision on food safety does not work at all. The "Clenbuterol" scandal of some domestic brand just proved this point. Using the law as a weapon to defend our morality and conscience will be a long and bumpy road in the face of food safety problems in rural market.

B) The lack of food professional inspectors causes the food safety inspection loopholes.

In rural areas, lack of food professional inspectors creates food safety inspection loopholes. It also creates conditions for those who fish in troubled water. In rural areas, workshop-style production process makes the product go directly into the market without safety inspection, which makes it possible for unqualified food to go to the market. On the other hand, the underdevelopment of countryside in return contributes to the lack of professional inspectors, which means that various food safety issues cannot be solved through accurate inspection. What's more, inspectors in some area do not take action to serve the people and ignore the problems of food safety. This forms the food safety inspection loopholes, allowing those who "fish in troubled waters" to take advantage of these loopholes. These people spare no effort to make profits even though they know what they do is wrong and can hurt others.

C) Producers' operating without a license and other non-standard means of food production damage the supervision system.

Based on the specific situation of vast rural area which requires a large amount of supervision, many producers take unlicensed mode of production, which damages the supervision system. Although China's economic development is very fast, but we cannot deny that the economic development of the rural area lags behind and that obvious gaps exist between urban and rural areas. The food in rural areas is produced on a small scale and in scattered places. In some remote areas with transportation inconvenience, it is expensive to get a license, which drives food producers to operate without one. Thus, these producers have to avoid supervision, which becomes a great obstacle for effective supervision.

In addition, most food producers in rural areas adopted small scale workshop-style production. They, for the sake of profit, make fake and shoddy products by using non-standard materials, making effective supervision more difficult.

If the farmers are in bad economic situations; it will be worse if the overall price is soaring. That situation would fit perfectly in the old saying "Misfortunes never come single". So how can we bear to see the food safety issue add to the customers' already complicated problems? Food safety problems of the rural market can not be ignored and we should take actions before it is too late. Above are the causes of the food safety problems in the rural market. We hope related personnel can continue to improve their involvement to get the rural market food safety back on the right track and to offer the

vast number of customers a problem-free food market because no matter what the case might be, food safety cannot say goodbye to the rural market.

In order to solve the rural food safety problems, the following aspects need to be taken into consideration:

Firstly, producers are an important factor. First of all, we need to help the food producers establish a sense of corporate social responsibility and morality by publicizing laws about food safety and improving their self-discipline consciousness. This helps cut the source of food safety crisis. The market economy itself has defects. In order to better the market economy, we must rely on national macro-control. The social responsibility of the enterprises is very important. The enterprises create profits as well as bear the legal liability of shareholders. They also have to take responsibility for their employees, customers and communities. They emphasize on the customers, the environment and the contribution to the society. It requires the enterprises to establish the social responsibility and moral integrity, which is of great importance to both their customers and businesses. The government strengthens supervision and eliminates illegal underground factories, at the same time publicizing the typical cases to warn and send the message to other producers. Secondly, enterprises need to improve their credit and establish a good corporate image. Producers also need to improve the disclosure of information about their honesty and credit status, giving their customers easy access to the enterprise credit condition. They also need to intensify efforts to crack down on food industry illegal acts. The illegal cost is far greater than the illegal income. Maximum effort should be invested to prevent fraud, false advertising and other illegal acts, so as to maintain market order and restore market credit.

Next, supervision and regulations also play an important role. Firstly, the government should strengthen the rural food safety supervision and perfect the laws and regulations. Food safety problem of the information asymmetry is the main reason. To solve this problem, authorities need to give the customers more information about the producers, sellers and the products. This helps improve market information transparency, maintain the market economic fairness, justice and free competition order and protect customers' legal rights and interests. Also, it helps ease up the conflict among customers, producers and sellers and assure customers of their rights of the public administrative supervision, including the right to criticize, suggest, appeal and the right to complain about or sue the supervision. Secondly, we should establish the perfect platform for network monitoring. County or district industry and commerce administration, as the basic unit, should establish a food safety supervision website, which offers customers basic information about the county as well as all the shops, enterprises, factories. Customers can learn directly from the website about some detailed information such as food producers, locations, contact, business scope, business credit and personal credit. Thirdly, paying regulators good salary also helps protect supervisors' safety. One reason why the

supervision department of food safety is not doing their job is that they gain low salaries. Thus, they cannot resist the temptation when producers offer them kickbacks. Another reason is that authorities often compromise for the fear of being intimidated by the illegal producers. If the government offers a higher salary for the civil servants in the supervision department; it will motivate them to put their heart and soul to serve the people. Government should combine food safety with authorities' responsibilities to establish a long-term effective monitoring mechanism. It also helps if government establishes a high-standard law enforcement team in rural areas to strengthen the supervision of food.

Last but not the least—customers. Firstly, customers should be given the right guidance, which contributes to their better awareness of food safety. We should depend on the industry association, the mass media, government and other aspects of the strength to better customers' food safety education. In this way, customers can recognize product with good quality and develop good shopping habits. Customers should establish a correct concept of consumption and improve the consumers', especially the rural consumers' awareness of legal rights to protect their legitimate rights and interests. Secondly, give rewards to people who report non-standard food to government and increase financial aid to rural area food industries. Farmers can take an active role in food supervision by keeping an eye on the shops and small workshops and promptly informing the supervisors of problematic food.

Food safety problems in rural areas cannot be solved in a short time. Marx once pointed out: "People create their history but they do not create it at will. They do not get to choose the conditions under which their history is created. Instead, they do it in a vested and inherited condition." Food safety problems in rural areas are formed under specific historical and cultural conditions; we should unravel this issue, starting with food producers. Also, we should address this problem by strengthening the supervision system and improving customers' cognitive level, which will lead to the overall improvement of the farmers' living standard.

References

- Zhang Hong. The Current Situation and Countermeasures of China's Retail Logistics development, Chinese Market. 2008.32
- [2] Zhang Yuan. A Comparable Research on the Logistics Management of Local Retail Industry and Foreign Retail Industry. Commercial Modernization 2008.13
- [3] Lin Huocan. Retail Enterprises Should Emphasize the Source of Talent Team Construction [DB] . EconomicDaily http://www.mie168.com/ marketing/2010-01/309538.htm
- [4] Gov.cn, "Ministry of Health Warn 108 Food-poison Cases from Jan. to Feb. in 2010", July 22, 2010 http://news.cb.com.cn/html/12/n -138412.html
- [5] MA Li-ting, On Evaluation Model for Commercial Value of SME's Micro-blog Marketing, *Journal of Yibin University*, vol.12, pp.61-64, 2012.
- [6] WANG Xu-hui and XU Jian, Impact of Adaptation of Explicit Retail Know-how on International Retailer's Customer Satisfaction in Overseas Market, *Economic Management Journal*, vol.33, pp.99-108, 2011.