The role of cooperation in the socio-economic development of rural areas: history and modernity

D Pashentsev*, N Chernogor and O Sidler

1 Institute of Legislation and Comparative Law under the Government of the Russian Federation, 34 Bolshaya Cheryomushkinskaya str., Moscow 117218 Russia

E-mail: dp-70@mail.ru

Abstract. The article is devoted to the history of legislative regulation of agricultural cooperation in Russia. The authors emphasize that agricultural cooperation is in demand due to the fact that agriculture has always played an important role in our country. In addition, cooperation has a rich unifying potential, which can be used in different conditions and situations. The experience of cooperative development in the early twentieth century is analyzed. It was noted that at that time, agricultural cooperation did not play a significant role in comparison with other forms of cooperation. The experience of legislative regulation of agricultural cooperation in the period of the new economic policy has been studied. It is noted that the Soviet government attached special importance to the development of this form of cooperation, saw in it the method of collectivization of agriculture. Agricultural cooperation also played other functions, giving out loans to the population and doing educational work. Members of agricultural cooperatives received benefits through collective processing of goods and their sale, as well as through wholesale purchases. Also in the article, the bases of modern legislative regulation of agricultural cooperation are shown. The principles on which modern agricultural cooperation is built and which are fixed in the current legislation are considered. The article concludes that agricultural cooperation has a great potential, it allows small producers to compete more successfully with large agroholdings, helps to fight the process of monopolization in the agricultural sector. But one legislative definition of the legal norms governing the creation and operation of cooperatives is not sufficient for its full development. Agricultural cooperation needs state support, both financial in the form of tax incentives, and ideological. We need propaganda of ideas and ideals of the cooperative movement.

1. Introduction

In modern conditions, the question of the development of rural areas and the use of their rich potential is inextricably linked with the task of reviving the Russian traditions of farming. The solution of this task is inextricably linked with ensuring a decent standard of living for the population of the country, as well as ensuring food security as an essential component of Russia’s national security.

The development of the village is impossible without a significant increase in the growth rate of agricultural products. To solve this problem, it is advisable to use the mechanisms that have been successfully tested in the past and have proven to be effective, and also to retain a rich potential in the new socio-economic situation.

One of these mechanisms is agricultural cooperation, which in our country has a rich and positive history.
2. Methods
The study of the development of agricultural cooperation involves the use of the historical-comparative method, which allows one to compare the state policy in the cooperative sphere at different stages and on this basis to identify the features of current trends in this area. Since the state regulation of agricultural cooperation is carried out in legal form, it is necessary to apply the formal legal method.

3. Results
The period of maximum development of cooperation as a special form of business management occurred in our country at the beginning of the twentieth century. At that time, in the conditions of general economic growth and the intensification of social and economic activity, such types of cooperation as credit, labor, consumer, marketing, and some other existed and actively developed.

Agricultural cooperation, in comparison with other types of cooperation, was significantly less developed in the Russian Empire. Less than 3% of all peasant farms participated in agricultural cooperatives. The most developed form — the specialized agricultural cooperation, which was engaged in only one specific type of agricultural production, was represented only by a few cooperatives in the form of artels, which produced and processed milk and flax (dairy and flax cooperatives) [2, p. 25].

Despite the relatively low level of development of agricultural cooperation in the Russian Empire, economic scientists and practitioners of the cooperative movement saw great prospects for its further successful development. In particular, in the Program, the Special Meeting on the needs of the agricultural industry in Russia in its program indicated that agricultural cooperation has significant advantages compared with other types of cooperation. It is agricultural cooperation that, thanks to its potential, is able to provide the peasantry with modern agricultural machinery and new labor tools. In addition, cooperation can reduce the cost of commodities for members of cooperatives through their bulk purchases. Finally, the development of agricultural cooperation contributes to the introduction of advanced farming methods and the active conduct of the necessary and useful reclamation works.

At the same time, the participants of the Special Meeting noted in the program the existing difficulties in the development of agricultural cooperation. These difficulties stemmed, in their opinion, from the low cultural level of the peasant population, as well as excessive pressure from the village administration, along with the traditional legal isolation of the peasantry in the sphere of civil relations [4, pp. 326-327].

The revolutionary events of 1917, which changed the development of the Russian state and its agricultural sector, significantly influenced the fate of agricultural cooperation.

During the period of the new economic policy (1921-1929), the Soviet government paid special attention to cooperation, seeing in it a good potential for establishing a union of city and country, the working class and the peasantry. Together with other species, agricultural cooperation has been actively developed.

Initially, the government focused on consumer cooperation as the most widespread and developed type of cooperation. But rather quickly it saw the rich potential of agricultural cooperation, which gradually began to be seen as one of the effective ways of organizing peasants to fight poverty [5, p. 31]. One of the prominent figures of the cooperative movement of the NEP period, S. L. Maslov wrote, “Agricultural cooperation was such an organization in which the economic efforts of individual peasant farms combine to serve their own economic needs” [6, p. 81].

As noted by prominent economist A. V. Chayanova, on January 1, 1924, the agricultural cooperation of the RSFSR included 12 thousand agricultural and credit partnerships, 1500 butter-making artels, 500 other types of agricultural cooperatives and about 11 thousand agricultural communes, that is, only about 25 thousand agricultural cooperatives of all kinds. In total, agricultural cooperation united almost 1.5 million peasant farms [9, p. 77].
In 1924, the Resolution of the CEC of the USSR and the Council of People's Commissars of the USSR “On Agricultural Cooperation” [10] was adopted, which established the legal basis for the further development of this type of cooperation. With its adoption, the government proclaimed a policy of large-scale cooperation of the peasantry throughout the country. The considered legal act established that all citizens of the USSR engaged in agricultural labor and holding the right to vote were also granted the right to form cooperatives in the form of partnerships, communes and artels.

The objectives of the formation of agricultural cooperatives, under the provision in question, were as follows:

- Joint studies of agricultural production;
- Procurement of the necessary tools and materials for agricultural production,
- Processing of agricultural products,
- Introduction in agriculture of technical improvements and carrying out reclamation works.

Note that this legal act gave agricultural cooperatives the right to carry out some other activities:

- Making loans and accept deposits,
- Procure consumer goods for everyday use for their members,
- Engage in educational work.

As a result of the adoption of this act, agricultural cooperation received such a level of authority that, as a result, it could actually act as the organizer of the entire life of the rural population of the country, which was subsequently exercised in collective farms.

As a result, the government decided to withdraw from the narrow interpretation of agricultural cooperation and its functions. Agricultural cooperation was considered by the government as an important and effective tool for solving a number of urgent tasks in rural areas. It was entrusted with both the development of agriculture on a collective basis and the enlightenment of the peasant population. As a result, agricultural cooperation in the period of the new economic policy developed almost as a universal. Agricultural cooperatives united peasant farms along several lines at once: not only the joint cultivation of the land, but also the supply of products and equipment, marketing of manufactured products, and lending [1, p. 54].

The basis for the creation and activities of each specific agricultural cooperative was its charter, which was subject to mandatory registration. The procedure for such registration was established by the legislation of the Union republics, but taking into account the above-mentioned decree. The Councils of People's Commissars of the Union Republics were also given the right to develop model (normal) charters of agricultural cooperatives. From the day the charter was registered, the agricultural cooperative became a full legal entity.

In modern conditions, when it is relevant to revive the vigorous activity of agricultural cooperation, it seems possible to use the historical experience of its development. Scientists note that agricultural cooperation to a greater extent than any other kind of collective labor connects production with its results, creates among its members a sense of personal involvement in these results [7, 3]. This situation motivates the agricultural producer to increase productivity and quality of labor, contributes to the formation of a more effective social relationship [13].

Specific prospects for the revival and development of agricultural cooperation in modern Russia cause debate. For example, I. Kulikov believes that almost anywhere in countries with developed market economies, based on the right of private ownership of land, this type of cooperation is not widespread. The reasons for this, this scientist sees in the very nature of agricultural cooperation and its internal contradictions [3, p. 86].

There is also an opposite position, whose supporters believe that “the world experience has not shown over the entire period of its existence a more effective organizational form of self-support and mutual assistance of agricultural producers” [8, p. 35].
In modern conditions, agricultural cooperation in Russia is regulated by the Federal Law of 12.08.1995 No. 193-FL (valid as of 07/03/2016) “On Agricultural Cooperation” [11]. This Law establishes the basic principles on the basis of which an agricultural cooperative is created and functions [12]:

- Voluntary membership in a cooperative;
- Mutual assistance and ensuring economic benefits for cooperative members involved in its production and other economic activities;
- Distribution of profits and losses of the cooperative among its members, taking into account their personal labor participation or participation in the economic activity of the cooperative;
- Restrictions on participation in the economic activity of a cooperative by persons who are not its members;
- Restrictions on dividends on additional shares of members and shares of associate members of the cooperative;
- Management of the cooperative on a democratic basis (one member of the cooperative – one vote);
- Availability of information on the activities of the cooperative for all its members.

In our opinion, these principles correspond to the scientific views on the essence of agricultural cooperation and its contemporary tasks. Agricultural cooperation as an association of small agricultural producers has great potential. Being at a high level of development, it gives small producers an opportunity to compete more successfully with large agroholdings and helps to counteract the process of monopolization in the agricultural sector. But for the full development of cooperation today, it is not enough to legislate the relevant legal norms. Agricultural cooperation in modern conditions needs state support. Such support can be carried out, first, in the form of tax benefits, second, in the form of education and propaganda. Promotion of the ideas of the cooperative movement, purposeful work to clarify the features and benefits of cooperation before the sole farm can help to intensify the process of its development. Ultimately, all this will contribute to the successful development of the entire agricultural sector of Russia.

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