The agricultural sector of Russia: analysis, problems, and trends

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Abstract. The article analyzes the current socio-economic situation and the state of affairs in the agricultural sector of Russia. The issues of import substitution, state regulation, and management on the basis of the program approach are considered. The foreign experience of addressing an agrarian question is given. It is noted that the revealed problems and the presented analysis of the agro-industrial complex economy (and its social sphere) are due to the weak protectionism of the state in relation to this extremely important sector of the national economy, ensuring the stability and security of the country in a broad sense. The problems of state rural policy are also considered in the article, the authors note the main of them: ensuring sustainable development of the rural economy, increasing the level of agricultural products competitiveness on the basis of investment, and providing resources for further modernization of agricultural production. The authors strengthened the necessity to move to a new model of rural development.

1. Introduction
The core of economic policies conducted by any state should focus, in our opinion, on solving the agrarian question, since the agrarian sector provides food for the population, and industry provides agricultural raw materials. According to the apt expression made by the classic of political economy V. I. Lenin, this is the link with which one can pull out the entire chain. The problems of the agro-industrial complex are very relevant in the context of the economic sanctions imposed by the West against Russia.

2. Methods
The article used monographic and analytical methods, the method of expert assessments, theoretical generalizations, and other methods.

3. Results
Historically, both in the Soviet period and today, the rural economy is perceived by many as a lagging and subsidized sector of the national economy. Rural settlements often became the objects of experiments and reforms, sources of cheap, unskilled labor. Frankly speaking, such reforms did more harm than good. And yet the countryside occupies 90% of the country’s space. The number of villagers in Russia is equal to 25% of the total population, which is 37 million people. This is more than in
Germany (11%), Great Britain (12), Brazil (17), although not as much as in China (60). In Russia, almost two thirds of the country’s population is associated with agricultural labor, in one way or another. So, about 6 million people are legally employed in agriculture of Russia (many unofficially), while 16 million families are engaged in personal subsidiary farming.

At the same time, our country lags behind many states of the world in labor productivity and the standards of living in rural areas. In particular, one Canadian or Australian livestock breeder produces twenty times more meat than the Russian one. There are five times less milk and grain per person employed in our country in the agricultural sector than it is in developed countries [3].

It is a pity that during the years of radical market reforms in the era of B. N. Yeltsin, the agricultural experience of China during the time of the great reformer Deng Xiao Ping was not used. In particular, during those reforms, the term of the inheritance right to use land was increased by 30 years (from 20 to 50 years), which contributed to a significant increase in the labor activity of peasants. This led to China’s grain production reaching 400 million tons, an increase of 100 million tons five years after the start of reforms. According to experts, a further increase in production was based on the so-called settlement-volost enterprises, which were one of the driving forces of China’s economic development. In particular, this sector provides about 50% of industrial production and a third of its exports without investing any funds of the state [5].

One of the fundamental criteria for assessing the country’s agricultural sector is demographic indicators, indicators of the level of employment and life in rural areas. In modern conditions there is a significant outflow of youth from the countryside to the cities and a reduction in the indigenous population. They find employment in large cities and megalopolises, especially a large influx in the Moscow region, in which, however, incentives are not created for the formation of normal families. The conducted demographic studies show that half of the young families living in Moscow have one child or avoid giving birth to children at all[2].

The year of 2017 was not easy for agriculture. However, according to experts, the positive dynamics in the industry remained, although the growth rates slowed down. The index of production of agro-industrial complex was 102.4%, it was 104.8%in 2016. At the same time, the volume of exports and grain yield broke records.

The area of crops in the country is 79 million hectares; the volume of exports is 20 billion dollars. This year grain harvest is expected to reach 105 million tons, which would allow farmers to guarantee good prices for their products. This is despite adverse weather conditions. In this regard, according to experts, product losses amounted to 5.8 billion rubles [4].

As recognized by industry leaders, Russia is lagging behind in developing the technological base of agriculture, which causes significant risks in the field of food security of the country. The Federal Science and Technology Program for the Development of Agriculture for 2013-2025 is aimed at solving this problem. Its implementation will give impetus to the development of agrarian science and educational institutions and also contribute to the solution of import substitution in priority areas of agro-industrial production. The most important role of the state is to create the necessary conditions for increasing the income of rural residents.

Currently, it is planned to create a high-performance export-oriented sector in the industry, which will achieve an export level of 50 billion dollars by 2024, doubling it in comparison to 2017. This will achieve sustainable results in the main sectors of the agroeconomy- crop production and livestock, ensure profitability and improve the quality of life in the countryside.

Of great importance, in our opinion, is the State Program for the Development of Agriculture and Regulation of Agricultural Products, Raw Materials, and Food Markets for 2013–2020. The development of the agro-industrial complex depends largely on the regions, on the skillful and effective leadership. It is necessary to increase the level of autonomy of the regions in determining their priority directions for the use of federal subsidies provided for the support of agro-industrial production. Their volume, in turn, should be linked to the growth of quality indicators of the efficiency of production activities, namely the level of crop yields, arable land size, etc. These measures will be
an incentive for the introduction of modern agricultural technologies, the introduction of unused land, etc.

At the present stage, the main limiting factors of economic development are the lack of investment and financial resources, modern technological solutions, qualified specialists, insufficient development of the competitive environment, shortcomings of the business climate [1]. There is an acute question of import substitution of machinery and technology in seed production, for example, for potatoes, 80% is import, it is 98% for sugar beet. Selection and genetic material imported on a large scale is used in broiler

Our research indicates that a significant part of the socio-economic problems of the agrarian sector is caused by the insufficient level of protectionist measures of the state against the village, as well as the unbalanced structure of the agro-industrial production in the processing of agricultural raw materials. In Russia, the share of budget financing in the amount of revenue from sales of agricultural enterprises is annually reduced. At the same time, in Japan this type of subsidies is 69%, in the countries of the European Union – about 40%, in the USA – 17%. In our country, this is about 3-5% [1]. Climatic factors, weather risks, the quality of government, traditions, and the mentality of the people play a major role in supporting the agro-economic sphere.

Key issues in solving agricultural problems are: property, pricing, and personnel. The problem of staffing in agricultural production has always existed. Agriculture is a less attractive sector for the able-bodied population of the country compared to other sectors of the economy due to seasonal employment and low wages, as well as a significant level of production risks. In this regard, according to experts, agriculture is characterized by one of the lowest professional and qualification levels of workers.

Property issues will always be in the center of attention of scientists and politicians. There are objective laws of the concentration of capital, the land increasingly belongs to large agroholdings, landowners, especially in the south of the country, the contradictions between labor and capital are intensifying, small business suffers. It is impossible to give preference to any of the forms of ownership, as it is written in our Constitution, on the contrary, all of them must be harmoniously interconnected on the basis of partnership. It is through influencing each other, rational integration and combination, as it happens, for example, in Japan, where national traditions and patriotism are carefully preserved, that it is possible to achieve serious, breakthrough results. Flexibility in managing property to solve agrarian problems is demonstrated in the USA, in which, for example, tenants are more than 50% of farmers whose age does not exceed 25 years. At the same time, as we approach retirement, a greater number of farmers become owners of the cultivated lands [5].

The government of Russia has no price policy. Experts’ calculations show that the financial losses of the agro-economic sector due to price disparity over the years of the introduction of radical market reforms reached 700 million rubles. This circumstance was caused by the outrunning growth of prices for products, tariffs, and services of the industrial sector relative to the products of the agrarian sector. In particular, the costs for the production of agricultural products decreased: for labor compensation – by 1.8 times, for seeds and planting material – by 1.6 times, and the cost of fuel, on the contrary, increased by 2.4 times, for oil products and electricity – more than 3 times [5].

4. Discussion

In our opinion, there is a need in current conditions to move to a new model of rural development. This implies the formation of a variety of activities in rural areas, with the creation of conditions for the processing of agricultural products of particular importance. It is also very important to develop the infrastructure of the agri-food market, in particular such activities as storage, transportation, and marketing of agricultural products, which together require expanding and enhancing the level of training in agro-industrial production, ensuring a balanced professional structure and developing staff potential work places.
5. Conclusion
Consequently, the solution of complex agrarian problems is impossible without a systematic, integrated approach, taking into account the world experience, common sense, and justice in relation to the Russian peasantry and the village as a whole. Focusing on the development of agriculture and rural areas will ensure greater progress and success of our country’s economy, as well as food and national security.

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