Human capital as a fundamental determinant of rural development

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Abstract. The Krasnoyarsk territory is a vast area. According to the Federal State Service of the Statistic the territory population density is 1.2 people per 1 square km. Thus it makes some special demands on the quality of human capital, and it is human capital which makes it possible to develop both the rural territory and the entire economy as a whole. The problem is that human capital has suffered a lack of attention for many years. Among the ways to overcome this situation we see a number of necessary measures aimed at increasing wages for agricultural workers, improving the demographic situation, diversifying the areas of employment, improving labor conditions, and improving the quality of life. In this study, we used a sociological research method by applying a questionnaire we had compiled for the survey of rural residents. Here the author defines the term “human capital of the rural population” in her own opinion and lines up a system of indicators characterizing the basic components of the human capital of the rural population, such as health capital, education capital, labor capital, cultural and behavioral capital, as well as intellectual one. To overcome the negative situation taking place in rural areas of the Krasnoyarsk territory, it is necessary to assess human capital on the previously mentioned 5 basic components, and on base of the results to propose a socially attractive model for rural development, which in its turn will attract additional human capital. The proposed measures make it possible to increase employment in rural areas by creating agricultural cooperatives, small businesses and farms, and expand the ways of use of maternity benefit in the development of rural households and small businesses, to reduce the income tax rate for individual entrepreneurs who are registered in rural areas, as well as to increase the standards for the total area for housing construction for young families, and to apply digital forms of cultural and information services to the rural population.

1. Introduction
The development of rural territories is a foreground process for the state’s socio-economic policy. As Russian scientists note, the labor resource base affects the innovative development of the agro-industrial complex as a whole [1].

In spite of the considerable scientists’ interest to the problems related to the labor market, the questions of formation for demand and supply for labor and employment of the working population remain quite debatable.

The purpose of this article is to find out the problems affecting the development of the rural population human capital within the Krasnoyarsk territory, to identify the basic components to assess the level of human capital and to develop measures aimed at the socio-economic development of rural territories.
At this juncture modern economic literature reflects the theory of human capital quite fully. It is necessary to clarify that under the human capital of the rural population we understand a set of skills, knowledge, competencies, individual, professional, entrepreneurial, spiritual, moral and cultural characteristics having an effective impact on the sustainable development of rural areas [2].

As for rural areas, one should mention there are significant special features of the formation and use of human capital, among which it is necessary to note:

- the agriculture sphere has lowest salary paid, in contrast to other branches of the national economy;
- unfavorable demographic situation causing a decline of the rural population;
- "aging" of rural residents, i.e. the excess of the population groups of retirement and disabled age over the youth, the outflow of youth from the village;
- lack of areas of employment, some industries and types of work are represented only by a narrow range of professions;
- difficult working conditions and seasonality of agricultural production;
- lack of competition which in its turn leads to the lack of initiative;
- lack of social infrastructure and poor quality of life;
- poor informatization of rural areas due to the lack of financial resources hinders the implementation of the latest technologies into agricultural production.

To solve this problem, we used a sociological method.

2. Materials and methods
To study the human capital of the Krasnoyarsk territory rural population, we conducted a survey of rural residents in the context of “All - Russia social and labor sphere of the village monitoring”.

During the study there have been annually interviewed more than 300 respondents and more than 100 experts since 2003.

The sample was calculated by working-age population aged 18 and over, among 523 476 people with estimated certainty of 95%, an error of 5%.

The objects of the monitoring fell on the Krasnoyarsk territory rural residents regarded in this article as “human capital” [3].

3. Results
To identify the factors having the greatest impact on the formation and use of human capital, the respondents were offered to answer the list of problems consisting of 27 positions.

The respondents were asked to name 5 most important of them. As it is shown by their responses (as well as for the entire 16 year period of observation), they defined the material prosperity as the most important thing (table 1).

| Issue                                      | number of respondents, % | Issue rank |
|--------------------------------------------|--------------------------|------------|
| Low wages                                  | 62.1                     | 1          |
| Late payment of wages                       | 7.9                      | 18         |
| Rising prices for goods and services       | 55.3                     | 2          |
| Low level of pensions                       | 25.6                     | 7          |
| Limited areas of labor application         | 14.3                     | 11         |
| Severity and seasonality of agricultural labor | 9.3                     | 15         |
The following issues are still pressing ones: rising prices for goods and services, lack of central heating, lack of plumbing, gasification and jobs, low pensions, poor-quality medical care.

Among the least concerning issues the rural residents determine the lack of ATMs (7.2%), existence of crime (2.9%) and drug addiction (3.4%), problems of school education (5.9).

Thus, we see that the low level of wages does not allow rural residents to form individual human capital effectively and affects all its basic components. We will join the opinion of Russian scientists on the need to allocate structural components of human capital [4].

We identify the basic components of human capital as following:

Health capital is heredity (predisposition to any diseases); physical strength; endurance; performance; general and mental health; psychological and social stability. In other words, we can say that this is the potential of a person’s physical, psychological and social state. As stronger the health, which is the natural wealth of each individual, the stronger and steadier all the other components of human capital [5].

Education capital is a general and special knowledge; research skills; self-education skills; motivation to learn. Labor capital is a general professional knowledge, skills and abilities; professional experience; organizational skills; leadership qualities; creative abilities; entrepreneurial abilities; ability to develop and implement innovations; labor motivation. Cultural and behavioral capital is the general culture of an individual; upbringing; decency, norms of behavior in society, prevailing social values; potential for social interaction. Intellectual capital is the product of an individual's intellectual activity,
secured by copyright, patent, number of publications in Russian and foreign databases, citation index, etc. To extend the research it is essential to create a system of indicators characterizing the rural human capital’s basic components and to determine the sources providing the necessary information [6].

Table 2. Basic components of the rural human capital and indicators that characterize them.

| №  | Basic components of the human capital | Indictors                                                                 | Sources of information                                      |
|----|--------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------|
| 1. | **Health capital**                   | Life expectancy in rural areas, occupational diseases, health status       | the Federal State Statistic Service: the results of psycho-  |
|    |                                       | (number of sick leaves and days of disability)                            | diagnostics                                                 |
| 2. | **Education capital**                | The number of employees with higher, secondary and special education, the  | the Federal State Statistic Service: data of agricultural    |
|    |                                       | number of employees who have improved their skills                        | enterprises, sociological surveys                           |
| 3. | **Labor capital**                    | Quantitative characteristics of production standards and service standards | Data of agricultural enterprises, sociological surveys       |
|    |                                       | (number of innovation applications, including implemented ones, wins in   |
|    |                                       | competitions "Best in the profession", awards.                           |                                                             |
| 4. | **Cultural and behavioral capital**  | Culture indicators                                                        | Sociological surveys, diagnostics of the enterprise         |
|    |                                       |                                                                           | corporate culture                                           |
| 5. | **Intellectual capital**             | Number of patents, publications in Russian and foreign databases; citation | Databases, electronic libraries.                            |
|    |                                       | index, etc.                                                               |                                                             |

Proposed enlarged groups of indicators proposed can be used for assessment the level of rural human capital assessment. There is no doubt about tight relationship between the level of human capital development and the level of rural development. The main indicator of human capital development is satisfaction in life. Undoubtedly, the level of a person’s life satisfaction is primarily determined by objective state policy. According to the study, more than half of rural residents are satisfied with their lives. This indicates the sufficient viability of rural society and the potential for development. Despite the relatively high youth’s requirements for living conditions, among young people there are more ones who are satisfied with their lives than 30 years old people.
4. Conclusion

In accordance with the respondents' opinion, the most overriding issue is the low level of wages. To improve the financial situation we take it as of paramount importance to increase the level of the state support for producers of the agriculture scope.

It is obvious that improving the regulation of wages in agriculture brand by the law is in urgent need, including assistance to the poor based on a social contract, which will require an increase the Federal and regional budget investments in rural areas [7].

For the socio-economic development of rural areas the following measures are needed:

- Expanding the use of the state maternity aid to develop private households and small businesses;
- Development of alternative activities in the field of trade and consumer services in rural areas;
- The income tax rate reduction for individual entrepreneurs registered within rural areas;
- Increasing the standard of the total area for housing construction for young families;
- Development of digital forms of cultural and information services for the rural population.

The aforementioned measures will create a socially attractive model for rural development.

References

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