

DEVELOPMENT OF THE AGRICULTURAL SECTOR AS AN IMPORTANT AREA OF EMPLOYMENT AND INCOME GROWTH FOR RUSSIANS

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Abstract

This article examines the problems of development of agricultural production in Russia. The author notes that the market processes of the last century in the Russian economy especially negatively affected those employed in the agricultural sector. There was a significant decline in the country's production of agricultural products, less sown areas, harvested grain, livestock, which were both the causes and consequences of the decline in the agricultural sector of labor remuneration and employment. The author found that the growth of employment in private subsidiary farming was a forced measure in the conditions of low wages of workers in the agricultural sector. The paper explores the possibility of developing many areas of agrarian production in the Chechen Republic, where there are not only natural and climatic conditions for this, but also a sufficient number of labor force. According to the author, the development of agricultural production in the region will provide jobs for a significant part of the local population. The necessity of material support from the state, the formation of appropriate legislative and tax systems in solving this problem is conditioned.

Keywords: agricultural production, employment, wages, Chechen Republic, rural areas, rural industrial enterprises

I. Introduction

Revival of the agrarian sector in the socio-economic development of the Russian state is considered among the main tasks of strategic nature. Agriculture as the basis of the agro-industrial complex in the country's economy plays a great role, since the food security of the state and the standard of living of rural residents depend on it. It is worth noting that Russian rural areas are home to up to 30% of its total population of more than 140 million people [1, c. 79]

Agricultural production, based on its ability to meet the needs of the country, is considered as an advanced sector of the Russian economy, which can meet domestic demand up to 90% for all major products. In the structure of Russian exports, agricultural products also account for a fairly significant share. Thus, in terms of wheat exports - 25 million tons, the country became the first in the world back in 2016, taking this place from the United States [2, c. 157]

II. Methods

Evstigneeva L. and Evstigneev R., note that one of the most important tasks facing Russia is the complication of its socio-economic structure as a prerequisite for the creation of a modern market economy. Such an economy is based on the tandem of large financial capital, which closely

interacts with the state and regional markets. The more certain Russia's self-identity becomes in this respect, the more likely it will be a center of attraction for other CIS countries.

According to D. Samygin and A. Kudryavtsev, regions with favorable conditions for agricultural activity have a significant reserve for improving the efficiency of subsidies, which should be taken into account in the future when allocating state support funds.

According to Belousov R., the Russian economy was facing a challenge that had a "multidimensional" character: the growth potential was sharply decreasing due to external factors of development - high oil prices and increasing raw material exports; conditions for the development of non-resource sectors of the economy were deteriorating due to the expected opening of domestic markets; there was an urgent need for large-scale investments in the development of social and industrial infrastructure.

The work of Glazyev S.Y. and others is devoted to the study of the processes of market reforms development in Russia and their results. As the data analysis shows, by some indicators the country's economy was thrown back to the pre-revolutionary level, and even the war did not lead to such a long and deep decline in national production.

A. Emelyanov in his work analyzes the socio-economic structure of the Russian agrarian sector, developed in the course of its reform in the 1990s, determines the factors of improving the use of the potential of various forms of management, aimed at ensuring food independence of the country and the revival of the Russian village.

As Kashepov A. notes, institutions in the economy represent social norms, habits and behavior of subjects and at the same time large public, including state structures.

Basalaeva E. in her work focuses on such important problems of the agrarian sector as low incomes of the population employed in it, price disparity in industry and agriculture, reduction of the share of domestic food in the domestic market. The author pays much attention to the application of the most effective forms of distribution of funds allocated to the industry.

Uzun V. analyzes the processes of development of large and small businesses in Russian agriculture, determines the impact on their activities from natural, economic, ethnographic factors, as well as agrarian policy. The paper also presents the results of a comparative analysis of the efficiency of land and labor use by corporate, farm and private subsidiary farms.

Bogdanovsky V., studying the problem of employment in Russian agriculture in the years of market transformation, noted that there was a largely forced, large-scale transfer of labor from corporate farms to individual farms, as well as a significant decrease in labor profitability, actively developing underemployment, falling quality of human capital. Under such conditions, measures aimed at overcoming the industry's lag in labor profitability and developing alternative forms of employment for rural residents were important.

The work of Korotcheny V.M. notes the low efficiency of domestic agriculture compared to CIS countries and a relatively large technological gap with developed countries with a tendency to reduce. The author's calculations confirm the growth of efficiency of the Russian agricultural sector in the CIS beyond the time limit of the main study.

Buzdalov I., conducting socio-economic analysis of the nature and consequences of agrarian transformations in China and Russia, points to the presence of signs of a deep systemic crisis in the agrarian sphere of Russia in contrast to China. The author considers it important to use Chinese and foreign experience to achieve the priority of rural development in the country.

Bayrakov A.I. et al. study the natural landscapes of the Chechen Republic and their transformation under the influence of natural and anthropogenic factors as a prerequisite for a science-based approach to solving regional geo-ecological problems. The urgency of solving the existing problem is determined by ensuring environmental security and sustainable development of the region, which has long experienced anthropogenic impact, including military.

Abdulgalimov A.N. and Kurnosova T.I. consider very significant the problem of small innovative business development in the country, the solution of which depends on the possibility of transferring the economy to innovation rails.

Reshiev S.S., considering the nature and level of development of agriculture in the Chechen Republic, concludes that this production sector of the republic's economy still needs serious transformations and modernization, using the experience of successful analogues from the world and domestic practice.

Svetlov M.N. and others, analyzing the impact of state support of agricultural organizations on the revenue from the sale of agricultural products on the example of 14 Russian regions with significant differences in natural, institutional and technological conditions of agricultural production, emphasize the heterogeneity of state support effects for these territories.

Malyuk L.I. and others, studying the potential of non-agricultural employment, presented as a necessary form of employment of rural residents, believe that its development will largely solve the problem of unemployment in rural areas and increase the income of the rural population of the country.

When conducting this scientific research, such scientific methods as the method of comparative analysis, statistical analysis, comparative analysis, functional analysis, positive and normative analysis were applied. The scientific research was conducted in accordance with the problem-chronological principle, the principles of systematicity and scientific objectivity.

III. Results

The market transformation that took place in the Russian economy in the 1990s had a particularly negative impact on the situation of those employed in agricultural production. Thus, if in the agricultural sector of the country in 1990 there were about 8.3 million people, then in 1995 their number decreased to 6.7 million, in 2000 - to the mark of 4.7 million, and by the beginning of 2006 workers became 3 times less, i.e. 2.5 million. [3, p. 10] The number of cattle from 1990 to 1999 decreased by about 62% (from 45.3 million to 17.3 million); pigs - by 65% (from 27.1 million to 9.5 million); grain production decreased by 58%, i.e. 47 million tons instead of 113.5 million tons. 47 million tons instead of 113.5 million tons; the reduction in milk production reached 62% (from 41.4 million tons to 15.8 million tons); the area of agricultural land decreased by about 26% (from 202.4 million hectares to 152.7 million hectares), and of them the area under crops - by 35% (from 112.1 million hectares to 73.0 million hectares). [4, p. 56] If we consider the period 1990-2005, the plowed areas became less than 2 times less - only 51.4 million hectares instead of 112.1 million hectares; the number of cattle decreased more than 4 times, amounting to 10.9 million heads instead of 45.3 million [3, c. 10]

Employees of the agricultural sector in 1990 had an average labor remuneration reaching 95% of the average level in the economy as a whole, and compared to the same indicator in industry - up to 93%, but already in 2003 this indicator was only about 40% and 30%, respectively. [5, p. 125] Wages, as well as employment in the agrarian sector in the years under consideration decreased with a significant decline in agricultural production, reduction of livestock and cultivated areas, which can be considered both as a cause and as a consequence of these negative processes. The beginning of the 2000s was marked by the growth of wages in the agricultural sector, which increased by 46.6% in 2000-2001 and by 35.4% in 2002 relative to 2001. [6, p. 145] In 2004, of all those employed in the economy of the country, the workers of agricultural production accounted for 10.3% [7, p. 65], paid on average at the level of 43% of the similar indicator of urban residents. [8, c. 47]

During the period of market transformation of the 1990s and early 2000s, many people employed in the agricultural sector were forced to move to private subsidiary farms due to a significant drop in labor remuneration, which is not very high today. Thus, in 2002, the number of persons employed in their own farms of commodity orientation reached 3 million people, which could be compared with the number of employees of agricultural companies of large and medium-sized businesses, but still the vast majority of those working in private farms was noted

in non-commodity production [9, p. 112]. Low incomes of agricultural workers could not but have negative consequences on the professional composition of the employed. Thus, at the beginning of 2003 only 16.9 thousand out of 86 thousand people who graduated in 2002 from agricultural universities, technical schools and colleges on a full-time basis, expressed a desire to work in the agricultural sector, i.e. every fifth person, only 18% were employed in their specialty, and this is with 30 thousand vacancies [10, p. 76]. This situation regarding employment in agricultural production and unemployment among rural residents is higher than in the city, required the state to develop certain measures for rural development, the purpose of which would be to increase the wages of agricultural workers, the growth of their professional level, increasing employment opportunities in rural areas, including through non-agricultural activities.

It is worth noting that only when agrarian policy is based on the special regularities of the development of agrarian relations and provides those employed in this production with the necessary socio-economic conditions, stimulates their labor productivity, it can be considered scientifically justified. Such a policy not only leads to the growth of food security of the country, but also makes it possible to have the status of a food power in the world. Here it is important to point out that neither crisis nor stagnation has practically no special influence on agrarian production.

IV. Discussion

How effective the country's agriculture should be determined based on comparative analysis with other countries on the basis of such, for example, non-parametric and parametric methods that establish the boundaries of production possibilities [11, p. 144]. Thus, for the development of social and engineering infrastructure in rural areas, the Chinese government implemented a protectionist "pro-peasant" agrarian policy, which attached importance to agro-industrial cooperation and integration. There were more and more national enterprises, which operated through "contract-orders" with family households, thus providing the opportunity to link together not only the processes of production, processing and marketing of the product, but also the supply of the necessary tools for this purpose. The structures that produce machinery and other equipment for the agricultural sector accounted for more than 130 million workers, producing products worth more than \$500 billion [12, p. 138]. The implementation of these measures for rural development, in the implementation of which the state investment increased 30 times, provided China with a radical change in the socio-economic situation and to a greater extent in the agricultural sector, while before these reforms the country ranked only 125-130th in the world in terms of GDP per capita [12, c. 140].

To date, the following types of organizational and economic patterns can be distinguished in Russian agriculture:

- agricultural organizations hiring workers under contract;
- peasant (farmer) farms, where a contract may be drawn up when hiring workers or self-employment may be present;
- personal subsidiary farms that work on the basis of self-employment.

It should be noted that for the Chechen Republic the agricultural sector is one of the most important components of the regional economy, which can provide a significant part of its population with employment opportunities, thus reducing the number of unemployed, since the region has a fairly high proportion of rural residents - 62% as of January 1, 2021. [13] In agricultural production the decisive role is given to natural and climatic conditions, on which depends not only specialization, but also the very possibility for this activity. Accordingly, the location of various branches of this production in a certain territory requires taking into account the peculiarities of its soil and climatic zones. Although the Chechen Republic is small in terms of

territory, it has a variety of climatic conditions for the development of many areas of agriculture. Thus, the region has nine soil-climatic zones with semi-deserts and sandy soils, steppes with chernozems, forests and mountain meadows. The soils are mostly chestnut, chernozem and meadow soils of good fertility; there are hot summers and short, rather mild winters against a background of different temperature conditions. Precipitation is uneven throughout the year, with more precipitation in June, while the least precipitation occurs between January and March. The region's river network is also uneven in distribution, with a densely branched river network in the mountainous part of the region and the adjacent Chechen plain, and almost none in the Tersko-Sunzhenskaya Upland and north of the Terek River [14].

In general, the natural and climatic conditions of the Republic allow to effectively develop not only the livestock industry, but also crop production, because with insufficient precipitation in most parts of the region, the presence of a developed network of rivers makes it possible to produce crops under artificial irrigation. For example, winter wheat yields well in mild winters, especially in the steppe and forest-steppe parts; the presence of plenty of heat ensures the production of grapes with a high sugar content, and the Naursky, Nadterechny and Shelkovsky districts are particularly suitable for this crop. Planting vineyards on the Zatrechnye stormy sands allows to use not only empty lands, but also to avoid many diseases of this crop. As experts note, in Soviet times in the republic collected up to 100 centners of grapes from one hectare, then sent it to different cities of the country by the day [15]. Also on the territory of the republic sunflower, gourds, especially in the farms of the Zatrechnaya zone, have shown themselves to be highly profitable crops; good prospects for rice, the production of which requires the implementation of appropriate reclamation works. The high efficiency of production of cucumbers, tomatoes and herbs in greenhouses is confirmed by the example of "TC YugAroholding" LLC activity in the region, which gives an opportunity to both local residents and those from other regions to eat these vegetables of high quality in the winter season. Here it is important to note that among the main criteria of the efficiency of production activities of economic entities are the quality and quantity of products produced by them [16, c. 7].

It should be noted that there are geothermal sources in the republic, mostly in the foothills, the use of which in the production of greenhouse crops due to their cheap energy can be very profitable. Thus, in conditions of cheap energy, production of persimmons, pomegranates, oranges and other subtropical crops can be very profitable, but the problem is to solve the issue of purification of thermal water from the presence of highly corrosive substances. Natural and climatic features of terraces and sloping lands of mountainous areas are more suitable for mass production of various fruits and berries. Also alpine meadows of mountainous areas give all conditions for the development of meat cattle breeding, good conditions for honey production. In the stormy lands of the Shelkovsky and Nadterechny districts, fine-fleece sheep breeding gives good results. It is more desirable to use steppe and forest-steppe territories of the republic for dairy cattle breeding and poultry farming if there is a fodder base.

The development of agrarian production within the framework of the regional state program developed for this purpose provides for the creation of conditions necessary for the growth of living standards and employment of rural residents of the republic. The volume of agrarian production from all forms of agricultural producers - agricultural organizations, peasant (farmer) farms and households, calculated in current prices, in January-October 2023 in the republic, according to preliminary estimates, reached 39562.9 million rubles, exceeding by 14.8% the corresponding figure of the previous year [17]. Among the most priority areas of production within the framework of this program are considered vegetable growing, fruit growing, viticulture, which determine the overall sustainability of the entire agro-industrial complex and, to a large extent, the regional economy and import substitution; as a backbone sub-branch is

presented cattle breeding, which provides for the production of milk, meat and uses significant areas of agricultural land [17].

The republic has been experiencing positive dynamics in the development of the livestock industry for a number of years. Thus, according to the results of calculations, the number of cattle for January-October 2023, attributable to the farms of all agricultural producers, amounted to 259.5 thousand heads, which was 0.8% higher than the same indicator of the previous year, of which the number of cows - 129.1 thousand heads, i.e. 1.7% more, and sheep and goats accounted for 299.3 thousand heads, indicating an increase of 1.7% compared to the corresponding values of the previous year [17].

It should be noted that for the growth of livestock productivity the most important is its pedigree composition. In the livestock industry of Russia, pedigree livestock occupies not too high a share, inferior to a similar indicator of developed countries, which contributes to the practice of buying highly productive animals, etc. abroad, although there is rich experience in the field of national breeding [18, c. 19].

The Chechen Republic has the appropriate specialized agricultural machinery and elite planting material for the development of the agro-industrial complex. Agricultural lands are enriched with the necessary mineral fertilizers, pesticides are used, new vines are planted instead of old vineyards, fishery reservoirs are restored, and fish farms are supplied with special fodder. But there are still problems regarding the provision of mineral fertilizers, pesticides, new machinery and equipment, etc. in different farms.

It is worth recalling that in the republic of the Soviet period, not only natural-climatic and soil conditions were taken into account in the allocation of agricultural production, but also the needs of the actively developing industry in the region, the specifics of transportation links with the areas of consumption of products of this sector. Comparison of the structure of modern agrarian production in the region and the early 1990s indicates their cardinal difference. So, today almost no sugar beet, grapes, tobacco are produced for sale in the market, not such large volumes of fruit and berry production, while these productions in the late 1980s and early 1990s gave the budget of the plant growing industry good income [19, c. 128].

Financial sustainability and modernization in the agricultural sector are considered important components in the framework of the implemented republican program for the development of the agricultural sector and regulation of markets of agricultural products, raw materials and food. The necessary condition for solving this problem can be the existence of a legislative and tax system that ensures the effective development of regional agrarian production sectors, as well as the provision of material support from the authorities.

It should be noted that the different results of state support in Russian regions may indicate the need for an individual approach in their analysis. Taking into account the practice of agrarian policy in European countries, when the federal level establishes instruments of state support and a single regulation for their application, while the regions are given the opportunity to choose from them for themselves, it would be possible to avoid complications of the state support system, which are possible in the conditions of granting greater powers to the regions [20, c. 20].

It should also be noted that, despite the government's extensive work on the development of rural areas in the country, the problem of the shortage of professional personnel in rural areas is still unsolved. At present, the most able-bodied and educated residents of rural areas, mostly represented by young people aged 18 to 35, are massively moving to cities for employment, while less than 10% of graduates of agricultural educational institutions prefer to live in rural areas. As evidenced by the data of the survey, the main reasons for this phenomenon include the low quality of housing and often its absence, many people do not recognize work in rural areas as appropriate for themselves [21, c. 15].

A big role in various state programs for the development of Russian rural areas is assigned to non-agricultural employment in rural areas. More return on both labor and other resources of rural territories can be expected from rural enterprises of industrial type, thus allowing to consider the creation of such structures as an important direction to increase employment and remuneration of rural residents. Such structures can be both small and medium-sized industries, which are engaged in various trades; processing of agricultural products, also carry out their transportation and storage; related to the recreational sphere and construction of various facilities; develop rural tourism, etc. In the conditions of interaction of agricultural processes with industrial processes, there is a multiple increase in production efficiency, also throughout the year there is a smoothing of unevenness in the use of labor of agricultural workers due to a more rational use of all types of resources involved in production.

Non-agricultural production is increasing in rural areas throughout the world. For example, up to 40-45% of the income of the rural population living in Central and Eastern Europe came from non-agricultural sources [21, p. 14]. The amount of non-agricultural income received by farmers in the states belonging to the Organization for Economic Cooperation and Development has now begun to exceed the income from purely agricultural activities [21, c. 14].

Thus, the available demand in the labor market in rural areas is affected not only by employment in the agricultural sector, but also by employment that is not related to it. At the same time, despite a significant decrease in employment in the agricultural sector, this sphere remains the main one for rural residents regarding the application of their labor. For the development of rural areas it is also important to have an appropriate legislative component of the process of preferential crediting and financing of rural companies of industrial type; to give them an opportunity, based on the industry specifics, not to pay taxes during the first 3-5 years of their activity, and later to pay them at the rate of 7-8%. It is also necessary for the state to insure the property of the participants of this process, as well as their personal funds and savings; to give them orders; to transfer the necessary production technologies, fixed assets and ownerless premises to them; to simplify the procedures related to the registration of relevant documents, etc.

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