

INNOVATIVE SOCIALLY ORIENTED TYPE OF ECONOMIC DEVELOPMENT AS STATE POLICY IN AGRICULTURE

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Abstract. The level of developed countries in the conditions of global competition and open economy in terms of well-being and efficiency cannot be reached, unless the advanced development of the sectors of the economy that determine its specialization in the world economic system is ensured. This will make it possible to actualize national competitive advantages to their maximum. For example, it applies to the agricultural sector, where the transition from export-raw materials to an innovative model of economic growth is linked to the formation of a new mechanism for social development, which is based on the balance of a number of factors, namely, social justice, entrepreneurial freedom, and national competitiveness. The article deals with the problems of the model of economic growth of states, priorities of agricultural development, and directions of its transformation.

1 Introduction

The transition to the type of economic development that is focused on social innovation determines that the state that has embarked on it will have to simultaneously solve two types of problems: catching up and advancing development.

The level of developed countries in the conditions of global competition and open economy cannot be reached in terms of welfare and efficiency unless the advanced development of the sectors of the economy that determine its specialization in the world economic system is ensured. This will allow to maximize national competitive advantages [1].

One of the problems of the current economic growth model in the majority of states is the increase in economic differentiation that accompanies the increase in household incomes that outstrips the growth rate of the gross domestic product.

This determines what the transition from export-raw to innovative model of economic growth correlates with the formation of a new mechanism of social development based on the balance of several factors, namely, social justice, entrepreneurial freedom, and national competitiveness [2].

As a result, it is necessary to apply an integrated approach, which requires the implementation of a whole set of interrelated transformations in terms of resources, time and stages. In particular, we are talking about the following areas.

2 Priorities for agricultural development

State policy in the sphere of agricultural development is based on the use of a systematic approach to understand its essence and form its specific directions. This provides for the comprehensive development of all sectors and sub-sectors, as well as areas of activity of the agro-industrial complex. This is especially important for states that are members of the World Trade Organization.

However, there are still two priority levels:

1) the first level includes the following priorities:

- in the field of production: cattle breeding (production of milk and meat) as a system-forming sub-sector that uses the competitive advantages of the country, primarily the existence of significant areas of agricultural land;
- in the economic sphere: increasing the income of agricultural producers;
- in the social sphere: sustainable development of rural areas as a prerequisite for preserving the country's labor resources and territorial integrity, creating conditions for ensuring economic and physical accessibility of food based on rational food consumption standards for vulnerable segments of the population;
- in the field of development of production potential: reclamation of agricultural land, introduction of unused arable land and other categories of agricultural land into circulation;
- in the institutional sphere: development of integration relations in the agro-industrial complex and formation of product sub-complexes, as well as territorial clusters [3];
- in the scientific and personnel spheres-ensuring the formation of the innovative agro-industrial complex [4].

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2) the second priority level includes the following areas:

- development of import-substituting sub-sectors of agriculture, including vegetable and fruit growing;
- environmental safety of agricultural products and food;
- increasing exports of agricultural products, raw materials and food as far as they saturate the domestic market;
- minimization of logistics costs and optimization of other factors that determine the competitiveness of products, taking into account the rational placement and specialization of agricultural production and the food industry in the country's zones and regions within the framework of entry into the WTO.

The objectives of this policy are:

- ensuring food independence of the country [5];
- improving the competitiveness of national agricultural products in the domestic and foreign markets within the framework of the WTO;
- improving the financial stability of agricultural producers;
- sustainable development of rural areas;
- reproduction and increase of land use efficiency [6] and other resources in agriculture [7], as well as greening of production.

To achieve these goals, the following tasks are envisaged:

- stimulating the growth of production of main types of agricultural products and food production;
- implementation of anti-epizootic measures for quarantine and particularly dangerous animal diseases;
- support for the development of agri-food market infrastructure;
- improving the efficiency of regulation of agricultural products, raw materials and food markets;
- support for small businesses;
- ensuring effective activities of state authorities in the field of agricultural development and regulation of markets for agricultural products, raw materials and food;
- increasing the level of profitability in agriculture to ensure its sustainable development;
- improving the quality of life of the rural population;
- promotion of innovative activities and innovative development of the agro-industrial complex [8];
- biotechnology development;
- creating conditions for effective use of agricultural land;
- development of land reclamation for agricultural purposes;
- environmentally regulated use of land, water and other renewable natural resources in agricultural production [9], as well as increasing soil fertility to the optimal level for each specific zone.

3 Priority Change Areas

The first direction. It is the development of human potential of any state and its use in the agro-industrial sector. This implies, on the one hand, creating favourable conditions to develop individual abilities to

improve life conditions of the population and the quality of the social environment, but on the other hand, the growth of competitiveness of human capital and social sectors of the economy, which provide them [10]. As a result, the following results will be achieved:

- negative demographic trends in rural areas can be overcome, and the population is stabilized, which will create conditions for its growth, as well as improve the quality of life of the population;
- the conditions for a sustainable increase in wages for agricultural workers should be such as to match the growth rate of labor productivity and the quality of the labor force, taking into account the specifics of agriculture;
- there must be a certain dependence of the level of pensions to wages as well as the introduction of the mechanism of real increase in the size of pensions based on voluntary pension savings that would provide the retiree a higher standard of living;
- provision of opportunities to receive education and medical care at the appropriate level in rural areas;
- ensuring the organization of access to national and world cultural values;
- ensuring security and law enforcement;
- creating conditions conducive to the implementation of economic and social initiatives;
- transition from mass education system, which is more typical for an industrial economy, to life long learning for all, necessary for creating an innovative socially oriented economy;
- creating economic conditions for preserving and multiplying the cultural and spiritual values of their people;
- ensuring the quality and availability of services in the field of tourism, physical culture and sports;
- improving the quality of the environment and environmental conditions of human life;
- reducing the crime rate;
- ensuring high professional and territorial mobility of labor resources, the formation of professional culture, values in the field of labor and business.

Second direction. It is nothing more than the creation of a highly competitive institutional environment that would stimulate business activity and attract capital to the economy, namely:

- creating and developing competitive markets;
- demonopolization of the economy;
- refusal to increase the total tax burden in the economy;
- promoting the creation of new types of business and new companies, especially those based on innovation, by stimulating the development of small businesses;
- investment and business risks should be reduced, primarily by protecting property rights and increasing the predictability of the state's economic policy, ensuring macroeconomic stability, and developing financial institutions;
- conditions to access to long-term financial resources must be real, as well as the development of financial markets and other institutions that are designed to ensure the transformation of savings into capital;

- striving for high-quality public administration in the economic sphere, taking into account the specifics of the agricultural sector [11].

The third area under consideration is structural diversification of the economy, which is based on innovative technological development, namely:

- the national innovation system should be integrated with various other systems [12], in the field of agriculture including;
- there should be a powerful scientific and technological complex that would ensure the development of agriculture and agro-industrial complex in priority areas, both in research and technology [13];
- manufacturing industries need centers of global competence, including high-tech manufacturing [14] and the knowledge economy;
- it is important to promote competitiveness of leading industries (for example, through public-private partnership, provision of economic sectors by highly professional staff of managers, engineers and labour, improve conditions of access of Russian companies to sources of long-term investments, etc.) [15];

The fourth direction is to consolidate and expand the global competitive advantages of some states in the agricultural and agricultural sectors [16]:

- the world's largest consumers should be provided with stable supply of energy resources, expanded geographical and product diversification of energy exports;
- on the territory of the state, it is necessary to create and develop large clusters of the international energy infrastructure, where new energy technologies would be applied;
- it is important to accelerate the transition to the export of products of their deep processing from the export of primary raw materials and energy resources;
- environmentally friendly production technologies should take the leading positions in the development of renewable energy sources;
- it is important to create a full-fledged competitive transport infrastructure, one that would be aimed to ensure the implementation of the state's economy's transit potential.

The fifth direction is to expand and strengthen the state's foreign economic positions and increase the effectiveness of its participation in the global division of labor, including:

- expanding opportunities to realize the advantages of the state in foreign markets in order to use the opportunities of globalization to attract capital, technology and qualified personnel in the field of economy and agriculture to the state;
- formation of an integrated Eurasian economic space for joint development.

The sixth direction is the transition to a new model of spatial economic development, including:

- creation of new centers of socio-economic development in rural areas, which would be based on the development of energy and transport infrastructure;
- reducing the differentiation of the level and quality of life between rural and urban populations through social and regional policy measures [17];

- strengthening the system of strategic management of regional development [18], increasing the complexity and balance of regional development and distribution of productive forces, improving the balance of duties of regional and municipal authorities and their financial capabilities.

Analysis of the content of these directions allows us to make a general conclusion that they include very important and significant issues and are based on a comprehensive approach to achieve them.

4 Conclusions

However, it is important to understand that a state's membership in the WTO entails a number of risks for its economy in the field of agriculture. In particular:

- reduction of investment attractiveness and profitability of enterprises;
- failure to meet national economic indicators;
- bankruptcy of small and medium-sized enterprises due to low competitiveness;
- reduction of jobs, income and living standards in rural areas.

Therefore, in particular, measures to adapt agriculture to WTO conditions and to neutralize risks are of particular importance.

For example, in Russia, a number of plans and documents are being developed and implemented for these purposes:

- action plan of the Government of the Russian Federation aimed to adapt certain sectors of economy to the conditions of the Russian Federation's membership in the WTO;
- plan for implementing the proposals of the business community regarding the adaptation of the Russian Federation's economy to the conditions of WTO membership;
- the action plan of the Ministry of Agriculture of the Russian Federation on the implementation of the action plan of the Government of the Russian Federation, aimed to adapt the individual sectors of the economy to conditions of Russia's membership in the WTO.

In addition, the "road map" for customs tariff and non-tariff regulations for agricultural imports within the framework of Russia's entry into the WTO was approved, which was prepared by the Ministry's structural divisions with the participation of industry unions and integrates the main areas of support for sub-sectors of agriculture where risks arise in connection with entry into the WTO [19].

The following measures are also envisaged to overcome possible negative consequences:

- extension of a number of tax benefits for agricultural producers,
- improvement of legislation in the field of veterinary medicine, aimed to improve the legal regulations for veterinary medicine, as well as harmonization of Russian legislation with the requirements of international organizations;
- preparation of a list of agricultural products and food products that are prohibited from purchasing for state

and municipal needs if the country of origin of such products is not a member state of the common economic space;

- strengthening of customs administration of import of agricultural products (especially beef) by the Federal customs service [20];

- amendments to the legislation on agriculture in order to define criteria for unfavorable regions for farming, in which payments to agricultural producers will not be subject to restrictions;

- to stimulate demand for agricultural raw materials and food due to food aid to low-income segments of the population, support the food support for certain social groups (e.g., school meals), reforming the system of food procurement for the state needs (e.g., purchase of Russian food for the army, procurement for the state reserve, etc.).

However, to solve the problem of increasing the competitiveness of agricultural and agro-industrial complex within the framework of the WTO, states need to create conditions for speedy transfer of industry to the new technological basis of competitiveness that will be possible only if full funding of the relevant state programs were taken into account.

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