Analysis of the effectiveness of state regulation of the agro-industrial complex on the example of several countries

Ksenia Dobrovkashina

1 Institute of Service and Entrepreneurship (branch) of DSTU in Shakhty, 147 Shevchenko str., Shakhty, 346500 Rostov region, Russia

Abstract. This article examines the effectiveness of state regulation of the agro-industrial complex in the Russian Federation. An assessment of the main legal problems in this area is given. On the example of foreign countries, various approaches to the reform of the agricultural industry are analyzed. The author examines the reforms in the field of agro-industrial complex and assesses their effectiveness. The main programs and directions of the studied field of economics are given. The provisions of federal laws, civil, tax, and land codes of several countries and other regulatory legal acts were considered. Conclusions are formulated about the main most optimal and necessary directions of state regulation. The author expresses the opinion about the need for certain actions in the state policy on the regulation and support of agro-industrial production.

1 Introduction

The problems of legal regulation of the agro-industrial complex will have the status of topical issues in any state at any stage of its development. The tendency to establish market relations in the economy of different countries does not reduce the need to regulate the economy in the agro-industrial sphere. But this state of affairs leads to a change in the methods and methods of regulation, sets new priorities. The development of the agro-industrial complex and, consequently, the level of national and food security depends largely on the level of state support, which is expressed in the form of state assistance to producers, processors, and sellers of agricultural products.

The specific features of the agricultural sector make it uncompetitive in a thriving market economy. Therefore, one of the most important factors for the preservation, development and improvement of the efficiency of agricultural production is not only the support of the industry from the state, but also the regulation and development of innovative activities in the field of agricultural industry. Due to the forms and methods of legal regulation of the agro-industrial complex used by the state, a certain balance is established between the interests of society and the state, as well as market mechanisms of self-regulation. When studying agricultural legal relations, specialists of legal science pay special attention to taking

* Corresponding author: shpigunova96@mail.ru
into account the peculiarities of agriculture in a particular region, the influence of legislation and law in general on the formation, development and functioning of the agricultural market. The changes that the world economy is undergoing set goals for agricultural enterprises to produce high-quality products that would be available and have a huge demand not only in the domestic market, but also in the world. The analysis of the effectiveness of legal regulation and state support will help to draw conclusions that will provide an understanding of the importance of legal regulation of the agricultural industry, as well as help the reader to understand the correctness of the priorities that need to be set to achieve the goals and objectives of the development of the agro-industrial complex in any state.

2 Methodology

In the article the author used several research methods. In addition to considering historical and theoretical data, empirical methods were used, such as comparison, generalization, analysis of various information sources and legislation of several countries, statistical data of services and ministries in this area were used.

When considering the information material, legislation, statistics of various countries, as well as when studying the experience of state regulation of the agro-industrial complex in foreign countries, the author sees the aim to target readers to understand the need to develop and develop value orientations and set the right priorities to establish the most effective forms, methods, mechanisms, goals, methods and tools for regulating the agricultural industry and the economy as a whole.

The author also discusses the effectiveness of the reform of the agro-industrial sector in the Russian Federation, putting the analysis of the experience of foreign countries in this area as the basis of his judgments.

3 Results of the research

According to the statistics it is possible to give the most complete analysis of the effectiveness of the support measures that the state directs to the sphere of the agro-industrial complex. Consider the data of the Federal Customs Service of the Russian Federation. The export of the agro-industrial complex of the Russian Federation in 2020 amounted to 77,822.6 thousand tons, which is expressed in 29,980.0 million dollars. First place in the export of cereal crops occupy the second position is fish and seafood, further products of oil and fat industry, food processing industry, meat, dairy and other products of agriculture.
Fig. 1. The rating of countries on the import of grain crops was also considered. The top ten countries are included. (Fig. 1)

In the rating of regions for the export of grain products of the agro-industrial complex of Russia, the first place is taken by the Rostov region, the second place is the city of Moscow, and the Krasnodar Territory closes the top three.

4 Discussion of results

It is worth starting with the fact that the growth rate of agricultural products and the development of agro-industry in the late eighties of the twentieth century decreased to 1-2%. Such a food problem in the conditions of the current economic situation at that time could not be solved quickly and efficiently. This has created an urgent need for serious reform [1].

In 1991 the modern agrarian reform began to develop. The legal documents underlying this reform are the Land Code, the laws "On land reform" and "On peasant (farmer) farming". They served as the foundation for land reform. This gave a start to serious transformations in the field of agriculture. But this reform was not comprehensive, did not solve many socio-economic issues, which caused the need for an agrarian reform that would comprehensively solve the tasks set. As a result, several normative legal acts were adopted, such as Resolutions of the Government of the Russian Federation and Decrees of the President of the Russian Federation: "On the regulation of land relations and the development of Agrarian Reform in Russia" (1993), "On the reform of Agricultural Enterprises" (1994), "On the implementation of the constitutional rights of citizens to land" (1996), "On State regulation of Agro-industrial production" (1997), etc. They determined the order, principles, and methods of transformation in the field of agricultural activity.

The principles of agrarian reform are highlighted:

1) freedom of forms of ownership and management; any collective or individual can choose the form of ownership that best suits its interests, goals and capabilities; 2) transformations are carried out on a voluntary basis; reform in the field of agro-industrial complex should not be carried out under pressure from above, it is necessary to ensure voluntariness, which is based on personal interest in the ongoing transformations;
3) the activities carried out within the framework of the reform should be of a nature; it is necessary that any changes take place consistently, it is important that the characteristics of each subject of these legal relations are taken into account;

4) the peasant becomes a real owner in the functioning of any form of management, which occurs due to the allotment of his land and the provision of a property share. When using these resources, it is necessary to adhere to the most acceptable forms of management, and it is also necessary to take into account the economic conditions and features of the development of the agricultural industry in the country for this period;

5) all agricultural transformations should be open, which will be achieved through broad public awareness, availability of discussion of these issues [2].

The results of the land reform include a gradual transition from state ownership of land, which existed in a single form, to a variety of its forms. Producers of agricultural goods became owners of 81.9% of the agricultural land area. Thus, approximately 13.5 million hectares, or 6.9% of all agricultural land, remained for farms.

The second significant result of the land reform is the transition to a multi-layered economy in the field of agricultural industry. Thus, several different forms of ownership could be rationally combined here. Plus, an important part of the agrarian reform is the privatization and the developing market infrastructure of the agro-industrial complex. This contributed to the formation of the economic conditions of its functioning. Previously, it was planned to develop a system in which there will be a balance of self-regulation of supply and demand, as well as the relationship between sellers and buyers in the agricultural industry market. But these areas have suffered setbacks and have been missed.

Despite this, the fact remains that any economy in any society is a system that has a complete structure. Each element here is an important link that affects the quality and efficiency of the functioning of the economic system [3].

The goal of the state in regulating the agro-industrial complex should be to take into account national interests as the basis for determining the directions of economic policy. This is the major difference between state regulation and market mechanisms. Due to this provision, the state regulation of the economy is given special importance here [4].

Developed countries have a huge variety in the combination of the functions of the state and the subjects of economic relations. That is why analyzing the experience of foreign countries, it is worth considering the situation in the field of agro-industrial complex in the United States of America, in France, and in some countries of the Commonwealth of Independent States.

The main objectives of state regulation of the economy in foreign countries are identified. These include:

1. consolidation of the existing economic system and its adaptation to constantly changing conditions;
2. the alignment and stabilization of economic cycles;
3. improving the structure of the national economy;
4. regulation and maintenance of monetary circulation;
5. ensuring employment of the working-age population;
6. ensuring balance in the external economy;
7. maintaining and developing competition;
8. maintaining stability in the economic and social spheres;
9. improving the standard of living of the population;

One of the main tools used by the state to support the economy in developed foreign countries is considered to be antitrust policy, the level of concentration of state entrepreneurship and ensuring a balanced pricing policy. State support for agricultural producers in these countries is not aimed at stimulating production, but at supporting the level of income of the producer, as well as at implementing structural, social and regional policies.
that are not directly related to production, but help to ensure the optimization and improvement of the quality of life of citizens [5].

The dominant position in modern developed countries is taken by the approach that dictates the task for the state, which is not to support economic growth at the expense of budget expenditures, but to ensure that the subjects of relations in this area have access to tools with which they can benefit from entrepreneurial actions. Ensuring the competitiveness of the country, creating and improving the legal and economic environment, as well as supervising and supporting the actors to achieve their competitive goals are a manifestation of the role of the state in agricultural policy [6].

In the United States of America agriculture and its efficiency are based on a number of basic conditions:

1. formed agro-industrial complex;
2. organization and maintenance of the economy in this industry;
3. mass introduction of technological and managerial innovations, their modernization and high speed of distribution;
4. state policy on regulation and stabilization of production in the field of agriculture and export of its products.

The complex of the agricultural industry was formed and developed with the increase and strengthening of intersectoral integration relations.

Another fairly effective method of regulating the agricultural industry by the state in the United States of America is the price policy, which is expressed in the establishment of guaranteed prices for specific products of agricultural producers. This achieves the goal of providing a fixed level of average income for farmers. State support is divided not only by areas of activity, but also by regions, which makes it possible to create equal conditions for farming and maintaining production for entrepreneurs and farmers.

By reducing the area under certain crops, it is possible to receive a direct state payment, which is also a good mechanism for regulating agricultural production in this economic sector [7].

The essence of the regulation of the sphere of agricultural production by the state in the United States of America is the possibility of a farmer receiving income from two sources:

1. from the sale of its products;
2. from direct government payments.

Thus, the state protects farmers from the risks associated with the sale and sale of goods produced by the farmer on the market.

The reasons that dictate the need to introduce innovations and changes in the agro-industrial policy of the United States of America are the strict and inflexible requirements of the World Trade Organization for trade liberalization at the international level, the processes of globalization of the world economy, and other reasons [8].

Such a change, which require the above conditions, is achieved primarily due to the redistribution of the budget, namely the reduction of direct government payments to farmers, but at the same time increase public expenditure in the field of science, education, and information security measures for the protection of nature and environment, etc. also there is a reduction of customs duties, fees and tariffs, high size which is a serious hindrance to the development of trade at the international level.

In Western Europe, in France is singled out as one of the most developed countries in terms of economic development. A large territory and a high population gives France the right to be on the list of the largest countries in Europe. As a percentage, it is established that approximately 17% of industrial and 20% of agricultural production in Western Europe is accounted for by this state.

In France, there are principles under which trade, farming, and entrepreneurship are free. The market mechanisms of the economy stimulate the development of the country's economy
as a whole, but the state has a large role in organizing the freedom of pricing. This role is manifested in the preparation of plans, programming of policies in the field of agricultural industry. Special authorities were established in France to solve these tasks. Planning helps to focus the French economy on the modernization of technologies, the introduction of innovations, the conduct of scientific and research work, and development. Just as in the United States, much attention is paid to stimulating and maintaining competition in the economy. Government support is expressed in the promotion and development assistance for small businesses. The state provides assistance and facilitates obtaining loans for various periods, offers tax incentives, and distributes commercial information [9].

The systematic control of the economy by the state in France is an example of high political influence on economic processes. Control and regulation of the activities of large organizations, enterprises and firms is carried out through the examination of compliance with antimonopoly legislation.

In general, any agrarian reform is defined as a complex, multi-faceted and time-consuming process, which is primarily aimed at streamlining all links in this industry. The reform of the agricultural industry is a responsible, socially and economically important matter. This largely explains the situation in some CIS countries, where agricultural reforms led to significant changes, but either were not completed or did not correspond to the planned results [17].

Let us consider the example of agrarian reform in the Republic of Tajikistan. The privatization of state farms, the reorganization of collective farms, and the denationalization of property led to serious changes in the structure of farms and farms. This led to the need to re-evaluate, reform and change the methods and structure of the agro-industrial complex.

In the process of reforming the sphere of agricultural production in the Republic of Tajikistan, the structure of land and agricultural formations was radically changed [10]. The main goal of the agrarian reform in the Republic of Tajikistan was to improve the quality and efficiency of domestic production of agricultural products, increase its volume, establish an optimal price level to ensure competitiveness in international markets, fully provide the industry with raw materials. There have been changes in the percentage of the share of large producers of agricultural products. So, in the nineties of the twentieth century, they accounted for about 45% of gross output, and by 2010 this figure had fallen to 2% [15].

But at the same time, the reform did not lead to the establishment of a system of issuing loans to farmers, the state does not offer effective ways to protect against risks in the production and sale of farm products, as well as protection from natural disasters. Thus, the dependence of national farming on many factors is generated. This helps to formulate the conclusion that in the Republic of Tajikistan, agrarian reform at this stage has not led to significant improvements in the agricultural sector. Agricultural production in this state remains at a low level, continuing to have the character of natural production. The state has not reached the level of development of the agro-industrial complex, at which the domestic production of the country could provide full satisfaction of the needs of the population. We can say that the reform is still ongoing, it has an unfinished character. That is why the state needs to take all possible measures and use a variety of tools to strengthen the effectiveness of the policy in the field of agricultural production. It is worth starting at least with the adoption of valid legal acts, as well as to modernize the material and technical base of agricultural producers. Legal relations in the field of property contracts and business activities in the Republic of Tajikistan are regulated by the Civil Code.

In the Kyrgyz Republic, the ongoing agrarian reform was also aimed at ensuring a radical change in the entire structure of land and agricultural production. The processes associated with the collapse of the USSR, namely the denationalization and privatization of state property, began in 1991. And in 1993, the Kyrgyz Republic was one of the first among the
countries of the Commonwealth of Independent States to introduce its own state national currency [16]. Then, in 1998, private ownership of land was introduced, which led to the lifting of the moratorium on its purchase and sale. This stimulated the growth of the agricultural industry, which required the agricultural trade to reach a new level. Thus, in 1998, the Kyrgyz Republic was also one of the first countries of the Commonwealth of Independent States to join the World Trade Organization. The reform in this republic has led to a radical transformation of the system that took place before the reforms were implemented. The forms of ownership of fixed assets of production and land have undergone significant changes. The transition to real market relations in the economy of this country, as well as the processes of democratization and the promotion of the rejection of socialist production systems in the field of agricultural industry, led to the development of a complex of agricultural production. It seemed to the government that starting with the reformation and modernization of the agricultural sector after the collapse of the USSR, it would be easier to bring the entire economy as a whole to a new level. Legal relations in this area are also regulated by the Civil Code [11].

Consider the policy in this industry in the Republic of Belarus. Based on the State Program for the Development of Agricultural Business in the Republic of Belarus for 2016-2020, experts predicted an increase in the growth rate of economic efficiency of the agro-industrial complex. It was planned to achieve an improvement in the quality of manufactured products, to ensure the competitiveness of agricultural products. Improving the efficiency of the activities and work of processing enterprises and organizations of the agro-industrial complex, the production of marketable products to be sold, both at the internal and external level, is the main goal of the modern complex of the agricultural industry in the Republic of Belarus [12].

The modernized methods of development of the agricultural industry currently accept the fact of the need to use the services of agricultural consulting. This helps to solve issues and problems related to the effective organization of activities among entrepreneurs and farmers, which leads to an increase in production volumes. Agroconsulting is defined as a set of works on the preparation of production processes in the agricultural sector, the definition of effective production technologies, training and advanced training of personnel and employees of the agricultural sector, as well as to achieve absolute results and performance indicators from the customer, the purpose of which in turn is determined by the creation of a modernized, high-quality, efficient, rational and systematic approach to doing business in the agro-industrial business. This approach ensures the integration and integration of all production stages.

Such relations in modern society, of course, must be protected by legal norms. Relations in the field of consulting are built on the basis of a contract. This is regulated by Article 39 of the Civil Code of the Republic of Belarus. According to the legislation of this state, a contract for the provision of consulting services is a type of contract for the provision of paid services. This method of regulating and stimulating the development of the agro-industrial complex is innovative and in demand under modern market economic conditions.

In the Russian Federation, the process of reforming the agricultural sector also began with the privatization of state land. This is a primary process in the transition to a new stage of economic development after the collapse of the USSR, so the reorganization of enterprises, organizations and the structure of the agro-industrial complex as a whole was inevitable and necessary [13].

But in the nineties of the twentieth century, the pace of the reorganization process was reduced, the implementation of agrarian reform was delayed, and the phenomena of the crisis were gradually outlined, which could occur largely due to the non-systematic approach in the policy of reforming the country's economy. The standard of living of the population was falling, problems that had not been solved for many years were getting worse, the quality of
products and production volumes were noticeably declining. Relations in the field of agricultural industry were regulated by articles of the Civil Code in terms of property relations. In addition to the Civil Code, a number of federal laws and other regulatory legal acts were in force in the legislation. Non-compliance with the law. As well as numerous gaps and miscalculations in the legislation have led to the complication of the situation and the aggravation of the crisis phenomena. The methods of legal regulation at that time were not effective enough, producers of agricultural products were not aware of and did not master the legal requirements for conducting this activity. That is why the state faced two main tasks:

1. reform in the field of state regulation of the agro-industrial complex;
2. establishment and stabilization of legal protection of subjects of legal relations in the agro-industrial sphere.

The vast territory of the Russian state determines the production of products in various industries. The state needs to support each sector for the harmonious development of each region and the entire economy as a whole.

The main methods of state regulation of the agro-industrial complex in Russia are:

1. competent pricing policy;
2. regulation of anti-monopoly policy;
3. regulation of credit policy, budget and tax policy;
4. planning;
5. organization, development and implementation of programs in the agricultural industry;
6. ensuring balanced production in various branches of the agricultural industry;
7. the method of regulatory regulation.

The problem of legal methods of state regulation of the agricultural complex had a significant weight in the development of the Federal Law" On the Development of Agriculture " of 29.12.2006 N 264-FL as well as in the process of delineating powers in the field of legal regulation of the agro-industrial sphere between the Russian Federation, its subjects and local self-government bodies.

These provisions also played a huge role in considering Russia's accession to the World Trade Organization.

According to paragraph 3 of Article 5 of the above-mentioned Federal Law: "The state agrarian policy is based on the following principles:

1. availability and targeting of state support of agricultural producers, as well as organizations and individual entrepreneurs engaged in the primary and (or) subsequent (industrial) processing of agricultural products, scientific institutions, professional educational organizations, educational organizations of higher education that are in the process of scientific, technical and (or) carry out educational activities, agricultural production, its initial and subsequent (industrial) processing in accordance with the list, specified in part 1 of Article 3 of this Federal Law;
2. availability of information on the state of the state agrarian policy;
3. unity of the market of agricultural products, raw materials and food and ensuring equal conditions of competition in this market;
4. the sequence of implementation of measures of the state agrarian policy and its sustainable development;
5. participation of unions (associations) of agricultural producers in the formation and implementation of the state agrarian policy".

An important impetus in the legal regulation is the development of state programs for the development of the agro-industrial complex of the Russian Federation. Among them are the Federal Scientific and Technical Program for the Development of Agriculture for 2017-2025, the State Program for the Development of Agriculture, and others [14].
5 Conclusions

The experience of foreign countries helps to conduct the most complete analysis of the effectiveness of state regulation of the agro-industrial complex. Comparing the situation in several countries helps to see the level of well-being of citizens, the quality of life of the population of the state. We believe that these provisions are based on the growth of labor activity, as well as on increasing the efficiency of this activity that occurs at a targeted state regulation of agro-industrial complex and improve productivity. Such growth can be achieved through attracting foreign investments, as well as the modernization of production and introduction of innovative technologies.

That is why we can say that the experience of foreign countries can be very interesting for Russian specialists to study for the further development of the agro-industrial complex and the market economy as a whole.

After analyzing the effectiveness of state regulation of the agricultural industry, we can formulate several conclusions.

Despite the stabilization in the reform process and the harmonious flow of changes and transformations currently in the Russian Federation, we believe that it is necessary to adhere to several conditions for the preservation and greater recovery of the agricultural sector.

The first of them is the provision that the transition from one model of the economy to another, as well as the change in the structure of agro-industrial production, requires a fairly long period of time. Such reforms should have a preparatory stage, so that domestic production does not notice it. The spontaneity of changes can lead to an imbalance, and an aggressive policy on the part of the state will negatively affect the development of the agro-industrial complex. Thus, it is necessary to modernize and reform the agricultural sector of the economy with restraint and gradually over a long period of time.

Also when implementing state regulation of the agro-industrial complex, the state must take into account the peculiarities of each sector of this sphere. In this way, a high rate of industrial growth in each industry will be achieved. It is necessary to actively influence the development of agriculture by means of credit and tax regulation, by offering special credit conditions for entrepreneurs, as well as tax benefits.

It is also necessary to constantly monitor and evaluate the effectiveness of the ongoing changes, for a timely response and change of direction, if necessary.

For the majority of unprofitable farms, effective management programs should be selected, production funds and labor should be used.

We believe that it is necessary to pay attention to the development of rental relations. By attracting foreign citizens to the activities of conducting agricultural business in the territory of the Russian Federation only by renting land.

Agricultural transformations and reforms in this sector are necessary not only for the development of these sectors of the economy, but also for ensuring the efficiency of production, ensuring the food security of the country.

References


13. L. Gao, J. Huang, S. RozelleRental markets for cultivated land and agricultural investments in ChinaAgric. Econ. 43, 391-403 (2012)


16. L. Gao, J. Huang, S. RozelleRental markets for cultivated land and agricultural investments in ChinaAgric. Econ. 43, 391-403 (2012)

17. Y.S. Liu, F. Fang, Y.H. LiKey issues of land use in China and implications for policy makingLand Use Policy 40, 6-12 (2014)