

Isa Zeinalov, PhD in political science

Aleksei Terentev

St. Petersburg State Agrarian University, Russian Federation

PRINCIPLES OF FOOD SECURITY IN MODERN RUSSIA: POLITICAL-ECONOMIC ASPECT OF THE STRATEGY

The article analyzes political-economic aspect and different variants to ensure food security during agrarian transformations in the country. Foreign experience of developed countries was described to reflect the objectives of economic policy in the field of food security.

According to a study of development strategy of food security, the authors point out that agricultural sector of Russia, which forms the basis of food production, has insufficiently substantiated methodical and analytical support for the activities of state bodies in the field of agrarian and food policy, especially with regard to food security in Russia.

Key words: food security, subjects of agrarian policy, political-economic strategy.

The resolution of food problem is the duty of a state. With the development of agrarian policy in modern conditions a state should take to consideration at least the level of guaranteed domestic production of vital products.

Possibilities for constructive use of public strategies are largely determined by condition of a state as a management subject, its resource base, dynamics of external environment, condition of public management personnel, development of communications between public authority and society. There are many other factors that influence the development and implementation of management objectives. All this is fully applied to political and economic strategies in resolution of food security challenges during the agrarian reforms.

The mechanism to guarantee national security under the agrarian policy is based on the principles of state support for agricultural sector as an important component of food security of a country.

Economically developed countries established a certain system of economy which to a different extent is regulated by a state and reflects the goals of economic policy. The countries of EU introduced the term "multifunctionality of agriculture", that reflects economic, social, environmental and political value of the industry. Food security in USA is considered as support for stability of domestic sales of food, mainly of national production and implementation of food aid to poor groups of people and the use of agricultural export in the interests of foreign policy. Food security in the USA occurs when in addition to all kinds of trade the possibility of state food distribution appears. Generalization of foreign practice in questions of selection of priorities for agrarian policy, undertaken by World Bank economist, showed that the policy of food self-sufficiency is a "minimum program" necessary to ensure food security for any country¹.

It is commonly known that the level of unit costs for the development of agriculture in Russia is significantly lagged behind the developed countries. For example, at the beginning of the 2000s the annual amount of funding per 1 hectare of agricultural land in Russia was 35 times lower than in Germany, 15 times less than in the US. However, it is emphasized that the current mechanism of budget support for agro-industrial complex is not systematic and does not have a long-term legal framework. It was formed and adjusted in regard to general target ideas of monetarist concept of state regulation of economy and is a kind of response to emerging problems. The total amount of public budgetary funding for agriculture is not legally fixed for the long term; it is annually determined during drafting of the federal budget and regional budgets, and also it is not a protected item of expenditure. The state provides a policy of reacting to conjunctural needs of an owner in agricultural sector, without thinking about long term prospects, which does not correspond to modern realities of the Western world.

The realization of the state agrarian policy as a deliberate action in agrarian sphere necessarily suggests the creation of reliable mechanisms for its implementation. In the most general terms, the

¹ Ефимов, А.Б. (2009). *Организационно-экономические аспекты достижения продовольственной безопасности в России*: автореф. дисс. ... канд. экон. наук. Воронеж.

mechanism of realization of state agrarian policy may be represented as the existence of certain factors, conditions, resources, ensuring its implementation.

The leading role of state among other subjects of agrarian policy is determined by the fact that a state, as the main political institution, performs its own unique functions. Being the basic central element of political system, a state determines the main objectives and priorities for development of a society, forms common national strategy, in accordance with which agrarian policy is built. A state must also conduct agricultural policy in the public interest and to form and maintain a common economic space¹.

Paternalistic expectations of the population and economic agents and the tendency of bureaucracy to reproduce distribution methods are typical for Russia. As a result, many of the programs originally planned in a fundamentally different context in practice turned to administrative distribution of productive resources. As experts emphasize the most important elements in the system of state support of the agrarian sector of Russia are the next: maintenance of the overall level of profitability in the industry by supporting village and encouraging of effective demand, antitrust regulation on proportions of intra- and inter exchange, increasing competitive capacity of the industry. The system of state support should promote the development of market infrastructure, maintaining stability favorable market conditions through state interventions, providing village with credit availability. Its functions also include a policy of reasonable protectionism and ensuring of domestic producers with conditions for normal competition with foreign markets².

Political and economic strategy for resolution of food security problems draws attention of the state and political parties.

Speaking about "Food security and problems of agricultural development" at the Deputies Congress of the party "Fair Russia" in the Southern Federal District, July 9, 2011 in Rostov-on-Don city party leader S. Mironov said that the threat to food security of the Russian Federation emanates from systemic crisis in which the domestic agriculture is. Agricultural production, in case of its improper organization, transforms into a black hole, into which astronomical funds may fail. The state should not buy off peasants but should create rural economy mechanism to allow this industry normally development. Such a mechanism does not exist yet. It is not even clear how it should look like. Russian farmers and food producers still remain strangers at the domestic food market. Foreign competitors still completely excel them in terms of working capital and in terms of available resources. This situation has not arisen recently. Rather, it is the consequences of the 90s and beginning of the 2000s, when the government let things take their course in relation to village. Agriculture moved from crisis to depression. All the attempts to reduce that bad practice have been resisted by the ruling bureaucracy. If the interests of officials and business are closely interconnected, the interests of the majority of population will remain unrealized.

In this connection we'll make one explanation.

S. Mironov, for example, said that the party "Fair Russia" should go for upcoming elections with a clear knowledge of what should be done to improve the level of food security in the country. What measures to support domestic agricultural producers have the priority in our opinion? *Firstly*, village needs loans. Moreover, the lending process should be simplified as much as possible. *Secondly*, emergency tax mechanisms should be applied in agriculture. A system of state compensation for income taxes is required. That part of it that goes for investment purposes should be compensated completely according to 0% rate. In "Fair Russia" party program is written a requirement of exemption of newly established farms from all taxes for 3 years. For livestock farms, which organize cattle farms such terms may be up to 5-7 years. *Thirdly*, the state should ensure an assignment of sufficient funds to guarantee purchase of harvest from Russian peasants at prices close to market average prices, and provide a financial reserve in case if harvest will be higher than it was planned. *Fourthly*, subsidies for agricultural enterprises for the purchase of fuel, rent of agricultural machinery and purchase of animal feed should be sufficiently expanded. *Fifthly*, system for distribution of domestic agricultural products should be maintained at regional and municipal level through trade fairs and social stores, particularly in megalopolises and large cities. *Sixthly*, the most important area of specialization for our agriculture may become production of environmentally clear and safe products. To organize production of ecoproduction a peasant needs deliberate help of a state. To come out at these markets independently, without help of a state is completely hard. For this aim, not just some

¹ Ефимов, А.Б. (2009). *Организационно-экономические аспекты достижения продовольственной безопасности в России*: автореф. дисс. ... канд. экон. наук. Воронеж.

² Ефимов, А.Б. (2009). *Организационно-экономические аспекты достижения продовольственной безопасности в России*: автореф. дисс. ... канд. экон. наук. Воронеж.

"actions", but a lot of money and serious amendments to the legislation required. *Seventhly*, more than 38 million people live in rural areas; 6.5 million of them work on land that is 10% of all employed people. At least as many of today's townspeople were born in rural areas or have close relatives there. Therefore, the development of rural infrastructure, restoration of life in rural areas should be the most important task for "Fair Russia" party, a matter for each of us.

When in late 2011 Fifth State Duma has completed its work, the chairman of the Duma's Committee on Agrarian Issues V. Denisov summed up the law-making results. He noted that the law on turnover of agricultural land was passed and entered into force on 1 of July, 2011. For 20 years of land reform share owners in different reasons have not been able to formalize and register their land rights, mainly because of procedural complications and due to the high prices for land planning and cadastral evaluation. In most cases land was used illegally and could not serve as pledge for loans. The new law not only simplifies the process of formalization of land rights, but also reduces costs for cadastral registration and state registration.

An important step was development of the Food Security Doctrine approved by the president of the country in early 2010. Its implementation will help to achieve certain results. Firstly, the stability of food prices in the country, by this the price of food will not be affected by fluctuations in foreign exchange rates. Secondly, the quality of food will improve. Even now, Russia uses more rigorous quality standards, than other countries for certain manufactured products. Russia, for example, refused from chlorine technology of poultry processing, although the United States still actively use it. Reduction of quotas on meat import contributes to increased competition between foreign suppliers, but as a result a consumer wins and our market gets the best quality and competitive imported products. Thirdly, the implementation of the doctrine will contribute to welfare of rural population. Supporting domestic producers and replacing imports, we create new workplaces, raise the level of income in rural areas and increase the amount of collected taxes. The main objective defined in the Doctrine is import substitution, primarily at the markets of meat, milk and sugar ¹.

Political and economic strategy to resolve food security problems during agrarian transformations is based on state strategy for development of modern infrastructure of agricultural market with civilized and fair laws, regulations, adequate services and prices for agricultural products. The priority are the measures, which ensure the profitability of agricultural production, as well as measures providing increased throughput of roads and railways, reducing the cost of railway transportation, increase the capacity of storage of agricultural products. For Russian agricultural enterprises is also necessary to establish an informing system in all matters of scientific, technical and technological support to AIC for promotion of modern technologies, acquaintance with world experience of their application ².

Nowadays, domestic agriculture is in a difficult position. Its strategic objective now is to form a class of effective owners. The chairman of the National Union of Milk Producers A. Danilenko noted: "In agriculture a person has to deal with wildlife, so it is difficult to debug a process mechanically, as on a conveyor belt, a personal control of a proprietor is important, only a proprietor may be really motivated for efficient management. Agriculture of developed countries is based on generations of farmers who have no other activities for themselves. Formation of effective owners went over the centuries there, unsuccessful farmers disappeared, the strong one remained and gradually become larger, but still real proprietors, who are responsible for the results of all the fortune, were at the head, but not management teams.

Our system of agriculture has lost a proprietor over a hundred years ago and after Soviet period, absolutely disastrous from technological point (the average yield was 13 quintals per hectare), fell into the chaos of the 1990s, from which it can not get out until now. There are many different forms of farming: private farms (which today produce half of pork, milk and most of the vegetables) and farmers, large holdings, many of which turned into a credit pyramid. The market situation does not contribute to the technological level of the industry: pricing environment is unstable, to make predictions about investments is very difficult"³.

Political and economic strategy to resolve food security problems during agrarian transformations is connected with social resources and mechanisms of rejuvenation of Russian village. Their essence is to improve social activity of all rural population and each employee individually, to form market awareness

¹ Денисов, В.П. Продовольственная безопасность - общенациональная задача.

<http://www.newsland.ru/2011/>.

² Орлова, Л. (2012). У России до сих пор нет четкой аграрной политики. *Аграрное обозрение*, 1 (29).

³ В России никакой аграрной политики просто не существует. <http://agroobzor.ru/>.

and adequate to new economic conditions standards of behavior for economic agents, to form a new system of social interactions that contributes to identification and use of internal resources and levers for countryside development.

The possibilities for constructive use of public strategies, including political and economic strategy to resolve food security problems, are largely determined by condition of a state as a subject of management, its resource base, dynamics of environment, condition of personnel in public management, development of communication between power and society. There are many other factors that influence development and implementation of management objectives. At the same time, they all are ultimately reflected and manifested in methods and mechanisms of goals' realization and achieving that are used to implement government programs and plans. The level and nature of these management technologies shows real ability of the state to regulate and to construct social relations deliberately in accordance with the interests of society¹.

As you can see, the mechanism of national security, integrated into agricultural policy should be based on the principles of state support for agricultural sector as an important component of food security of a country. The implementation of the state agrarian policy as a deliberate action at the agrarian sphere necessarily entails the creation of reliable mechanisms for its implementation.

The leading role of a state among the subjects of agrarian policy is caused by the fact that in any society a state, as the main political institution, performs unique functions. As the main and central part of the political system a state, firstly, defines the main objectives and priorities for development of a society, forms common national strategy, in accordance with which agricultural policy should be built. Secondly, a state is called upon to carry out agricultural policy in the public interest, to form and maintain a single economic space.

The possibilities for constructive use of public strategies, including political and economic strategy to resolve food security problems, are largely determined by condition of a state as a subject of management, its resource base, dynamics of environment, condition of personnel in public management, development of communication between power and society. However, the so-called "vertical of power" by stopping centrifugal tendencies in the country and restoring a single system of power, hinders the development of initiative and free will of the citizens, nourishes the omnipotence of the bureaucracy. "Vertical of power" was replicated in social and political processes, subordinating the sphere of social relations. This has a negative impact on solving of the problems of food security.

References

1. Denisov, V.P. Prodoval'stvennaja bezopasnost' - obshchenacional'naja zadacha. <www.newsland.ru/2011/>.
2. Efimov, A.B. (2009). *Organizacionno-ehkonomicheskie aspekty dostizhenija prodoval'stvennoj bezopasnosti v Rossii*: avtoref. diss. ... kand. ehkon. nauk. Voronezh.
3. Orlova, L. (2012). U Rossii do sikh por net chetkoj agrarnoj politiki. *Agrarnoe obozrenie*, 1 (29).
4. Jakunin, V.I. (2007). *Processy i mekhanizmy formirovaniya gosudarstvennoj politiki v sovremennom rossijskom obshchestve*: avtoref. diss. ... dokt. polit. nauk. Moskva.
5. Vystuplenie S.M. Mironova na kongresse deputatov partii «Spravedlivaja Rossija» v Juzhnom Federal'nom okruge. *Prodoval'stvennaja bezopasnost' i problemy razvitija sel'skogo khozajstva*. <<http://mironov.ru/>>.
6. V Rossii nikakoj agrarnoj politiki prosto ne sushchestvuet. <<http://agroobzor.ru/>>.

¹ Якунин, В.И. (2007). *Процессы и механизмы формирования государственной политики в современном российском обществе*: автореф. дисс. ... докт. полит. наук. Москва.